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1960 Annual Report
THE GOVERNOR OF THE
Virgin Islands
TO THE SECRETARY OF THE INTERIOR

For the Fiscal Year Ended June 30, 1960



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Virgin Islands
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UNITED STATES
DEPARTMENT OF THE INTERIOR
FRED A SEATON, *Secretary*

TERRITORY OF THE VIRGIN ISLANDS
John D. Merwin, *Governor*

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, D.C.

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1960 Annual Report of the Governor of the Virgin Islands

John D. Merwin, Governor



THE OPERATIONS of the Government of the Virgin Islands continued to improve during the fiscal year 1960. Government services were strengthened. Revenues were the highest in the history of the Territory and at the end of the year showed a continuing upward trend.

The third legislature of the Virgin Islands convened, during the year, in one regular session and two special sessions. Many laws of significance to the economy, the well-being, and the physical improvement of the islands were adopted. The legislative and executive branches of the Government have worked in harmony and accord.

As a result of the understanding and cooperation between the two branches of the Government, and with the stimulus of a wide-aware citizenry, there has been considerable advancement in all spheres of social, political, and economic activity.

Highlights of the Year

The Office of the Government Secretary continued the development of a modern tax assessment program. Directed by experienced tax consultants, work is progressing on surveying and mapping of all real property and development of uniform and equitable assessment criteria and procedures.

In financial activities, total local revenues collected amounted to \$7,274,353.62, an increase of 38 percent. Total internal revenue matching funds made available to the Government of the Virgin Islands amounted to \$4,917,952.15.

The Department of Tourism and Trade estimates that over 200,000 visitors came to the Virgin Islands. The gross tourist revenue was

estimated at \$24 million, a substantial and gratifying increase over the preceding year.

The lack of a continuous supply of potable water still remains the big problem facing the Department of Public Works. Some improvement in the supply situation was effected when a contract was entered into with a private concern for hauling water from Puerto Rico. Even though records show a total rainfall of 53.43 inches in St. Thomas, the island of St. Thomas suffered one of its severest droughts, which was not relieved until the flood of May 8-9, 1960. This flood, however, caused severe damage to the roads, streets, sewers, potable and salt water lines, and other public facilities.

Under the Department of Education, the school system of the islands has experienced both growth and improvement. The first practical nurse training program was instituted in St. Thomas, and a similar program is scheduled for St. Croix. An enumeration of school age children was completed. Of the 9,433 children in school, 2,666 were enrolled in 11 nonpublic schools, and 6,767 were in membership in 23 public schools.

In the Department of Health, the addition of two full-time house physicians to the staff of the hospitals in St. Thomas and St. Croix was, perhaps, one of the most dramatic improvements in the quality of care rendered.

The Department of Social Welfare cooperated with the Commission on Aging in studying the needs of senior citizens in the Virgin Islands. In the emergency housing program, completed units provided quarters for 19 families totaling 97 persons. Additional units have been purchased and are under construction.

In the field of Public Safety, highway patrol activities have been increased, a system of uniform traffic tickets has been instituted, and additional patrol staff has been employed in both islands. There has been a notable decrease in the rate of highway accidents and fatalities.

Within the Department of Property and Procurement, the Property Division has been activated. Its function is to bring for the first time all government properties under orderly centralized control.

The Department of Agriculture and Labor recently appointed a marketing specialist who is conducting a study to determine demand and supply schedules for farm products in an effort to promote an improved diversified agricultural program for the Territory.

Legislation

Three sessions of the Legislature of the Virgin Islands were held—two special sessions from September 28 to 30, 1959, and January 18 to 21, 1960, and the regular session from April 11 to June 9, 1960.

	September	January	April
Total proposals.....	34	22	230
Governor's proposals.....	22	19	62
Adopted.....	29	22	166
Approved.....	17	18	105
Vetoed.....	0	0	20
Pocket vetoed.....	1	1	24
Resolutions.....	11	4	17

Eighty-two of the Governor's proposals were adopted by the legislature.

Virgin Islands 18th Decennial Census

The population of the Virgin Islands of the United States as of April 1, 1960, according to a preliminary count of the returns from the 18th census, was 31,904 as compared with 26,665 on April 1, 1950.

The population of the three major islands as of April 1, 1960, as compared with the population as of April 1, 1950, was as follows:

	1960	1950
St. Thomas.....	16,046	13,813
St. Croix.....	14,935	12,103
St. John.....	923	749
Total.....	31,904	26,665

The urban population of the Virgin Islands, according to the preliminary count, was as follows:

	1960	1950
Charlotte Amalie.....	12,740	11,469
Christiansted.....	5,117	4,112
Frederiksted.....	2,174	1,961
Total.....	20,031	17,542

Office of the Government Secretary

Throughout the year the Office of the Government Secretary carried on the duties and functions established therefor by the Revised Organic Act of 1954 and the Virgin Islands Code of Laws.

Activities during the year included:

Continuation of the compilation and publication of laws and regulations of the Virgin Islands Government through contracts with the Equity Publishing Corp. These include: (a) Annual Supplement to the Virgin Islands Code, (b) Virgin Islands Rules and Regulations (2 volumes), (c) Virgin Islands Register (1 volume), (d) Virgin Islands Sessions Laws (5 volumes), (e) Virgin Islands Reports

(vol. 3), and (f) Enactments of the Virgin Islands Legislature (in slip law form).

A comprehensive study of the Compulsory Automobile Liability Act and submission of recommendations to improve the law were also carried out. These were developed through a 3-day insurance convention in which an insurance consultant from the mainland and local and head office representatives of insurance companies writing automobile insurance in the Virgin Islands collaborated with local citizens and officials in studying the problems and recommending solutions.

Among other items were a joint meeting of the three election boards to discuss the possible use of automatic voting machines; direction and coordination of the emergency housing program, coordination of the project to improve sanitary facilities; activation of the retirement system for Government employees; a real property tax study project; collecting vital and detailed information and developing procedures for the installation and maintenance of a modern and comprehensive property tax assessment system for the islands; and administration of the Industrial Incentive Tax Exemption program to assist in the economic development of the islands.

The expansion of businesses and occupations in the islands has shown the need for an intensive review of the provisions for and procedures governing the issuance of business and occupational licenses. Among other things there is need for greater flexibility in the licensing laws and some existing license specifications need clarification and definition. The following chart shows a comparison of licenses issued and fees collected over the past 2 years:

Licenses issued and fees collected

District	1959		1960	
	Licenses	Fees	Licenses	Fees
St. Thomas-St. John	1,165	\$43,918.80	1,227	\$46,238.50
St. Croix.....	630	21,224.20	886	30,549.00
Total.....	1,795	65,143.00	2,113	76,787.50

Corporate activity within the Office of the Government Secretary reached an unprecedentedly high level during the year. This is evidenced by the table below showing 119 new registrations as compared with 87 in 1959 and 56 in 1958. In 2 years the number of new corporations registering to do business in the Virgin Islands has more than doubled.

	Fiscal year 1958	Fiscal year 1959		Fiscal year 1960	
		Foreign	Domestic	Foreign	Domestic
Certificates of incorporation issued.....	56	5	82	8	111
Certificates of amendments issued.....	9		8	1	30
Withdrawal of corporations.....		2			
Corporations dissolved.....	7		2		4
Corporation surrendering corporate rights.....			1		3
Corporations removed from active list.....	8				7

This year the method of assessing and collecting corporate franchise taxes was changed. Instead of the old system of billing corporations for the tax after receipt of their financial statements, corporations are now required to forward their check for the franchise tax together with the statement they file on the basis of which the tax is computed. Instead of a single financial report filed each year in the past, each corporation is required to file two reports, one consisting of a balance sheet and profit and loss statement for record purposes, and the second reflecting information relative to paid-in capital stock and other financial data for computation and payment of the corporate franchise tax.

On June 30, 1960, 43 insurance companies, including 1 nonprofit organization, were listed on the register of insurance companies authorized to do business in the Islands. There were 3 new registrations and 1 withdrawal. During the year 33 agent's licenses were issued as compared with 40 licenses in the preceding year. The following is a comparative table of taxes and fees collected for the past 3 years:

	1958	1959	1960
Renewal of certificates of authority and original registrations.....	\$1,388.50	\$1,538.50	\$1,651.00
Agent's licenses.....	1,101.00	1,831.00	1,521.00
Gross receipts taxes.....	2,945.99	5,079.08	6,602.95
Filing annual statements.....	90.00	101.00	98.50
Filing power of attorney.....	10.00	15.00	15.00
Total.....	5,535.49	8,564.58	9,888.45

Plans were underway for development of the program of Compulsory Automobile Liability Insurance, as a result of Act 478 passed by the legislature on June 10, 1959, to become effective January 1, 1960. However, because of complications of administration and the difficulty of obtaining insurance without considerable amendments to the law, the legislature by Act 519 repealed Act 478 and established a temporary committee to study and recommend new and appropriate legislation for Compulsory Automobile Insurance.

Division of Personnel

Within the Division of Personnel the most important development was the approval by the Governor on June 10, 1960, of a new pay plan embodied in Act 597. The new plan was estimated to cost \$600,000, or an overall payroll increase of about 12 percent. There was also during this year a resumption of within-range increments after a span of 6 years without any such increases. These increases now depend upon prevailing government policy with regard to availability of funds and the satisfactory or better performance of employees. They are payable upon completion of 18 months' service where the steps are more than \$75.

The Government-owned and operated Virgin Islands Telephone System was sold on bid to private interests resulting in the layoff of 89 employees, the major portion of whom were retained in the employment of the new owners. The names of the former employees have all been placed on a reemployment list which must legally receive priority for certification for appropriate positions. By special act these employees were granted special privileges as pay for accrued sick leave at time of layoff, and priority of certification and appointment to vacant positions for the first 6 months after layoff.

The new Retirement law was established and has now been in operation for 9 months. By this law, all assets and liabilities of the two predecessor municipal systems were transferred to the newly created system. A significant feature of the plan is the new policy of pay-as-you-go employer's contribution. The following comparative statistics indicate the activities in examination and certification:

Activity	Fiscal year 1958	Fiscal year 1959	Fiscal year 1960
Personnel requisitions processed.....	388	389	452
Number persons employed, permanent and temporary.....	410	407	446
Number applications received.....	569	592	454
Number separations, permanent positions.....	161	204	327
Number examinations administered.....	124	163	198
Number persons on eligible list.....	1,043	1,391	1,545
Total persons in permanent positions.....	1,822	1,699	2,027
Number of promotions.....	55	43	84

Division of Real Property Assessment and Recording

Assessments of real property for the year 1959, showing an increase of \$2,472,071.18 over last year, were completed and totaled approximately \$30,517,736.80. Revenue to be collected from this source will amount to approximately \$381,000, an increase of approximately \$31,000. The following table shows assessments and taxes by districts:

Districts	Assessments	Taxes
St. Thomas.....	\$16,846,500.00	\$210,581.02
St. John.....	642,956.00	8,036.96
Christiansted.....	7,740,364.00	96,754.55
Frederiksted.....	3,978,208.00	49,727.60
Virgin Islands Corporation.....	1,309,726.40	16,371.58
Total.....	30,517,754.40	381,471.71

A total of 3,422 documents were recorded.

Industrial Incentive Program

Tax benefits and programs identified as tax incentives are now of interest to all island governments throughout the Caribbean. In our neighborhood, the British Virgin Islands have now embarked upon a tax incentive program that may soon overshadow our activities in this field. Nevertheless, our own program continues to attract investors and other interested individuals to the U.S. Virgin Islands. Serious objections to our program continue to be reflected in the attention given to it by the Congress of the United States. Various amendments have been proposed for the purpose of eliminating such tax loopholes as may exist. The closing of these loopholes is necessary.

In addition, the Treasury Department, through its Bureau of Customs, has now assigned personnel in the area to assist local businessmen in the preparation of records that eliminate questionable features regarding exportation under applicable provisions of section 301 of the Internal Revenue Code of 1930, as amended. The Virgin Islands Government, the local chambers of commerce, and other interested organizations continue to give attention to the shortcomings of the program and are working in a positive manner to improve same.

Despite the limitations indicated above and shortages of power, water, and building space, there were 33 small businesses and 19 hotels operating under the tax exemption program during this fiscal year. These businesses provided work opportunities for 1,300 persons. Act 551, approved May 11, 1960, extended the period for the filing of applications for tax or fee exemptions and for the granting of subsidies to December 31, 1961. It also established a special temporary committee to study the industrial incentive program in the Virgin Islands and to submit a report with recommendations to the Governor and the legislature at the beginning of the 1961 legislative session.

Department of Law

On September 16, 1959, the Congress, by amendment to the Revised Organic Act of 1954, sanctioned by Federal enactment the duties and responsibilities of the Attorney General of the Virgin Islands. It provided that in litigation where the Territorial Government is a party the Attorney General shall appear on behalf of the Government except in criminal cases in the court of general jurisdiction. Prior to that time, the attorney of record as to these matters was the U.S. attorney who is under the administrative control of the Department of Justice.

As a result of this change, the first and largest step has been taken in placing a greater measure of autonomy in law matters at the local level where it properly belongs. The transfer of the functions effected by the Organic Act amendment has been practically completed.

The first step in carrying out these assigned tasks was to set up a law office for the Department of Law. It is staffed by two attorneys, a private secretary, and a clerk. A part-time attorney retained on a contract basis is assigned to the island of St. Croix.

Virgin Islands Planning Board

An architect and town planner, with extensive experience in planning in tropical areas, was appointed planning adviser to the Governor of the Virgin Islands and assigned to the administrative office of the Virgin Islands Planning Board. The first task undertaken by the planning adviser was the preparation of a draft of a subdivision bill which was forwarded to the legislature but which has not yet been adopted. The Planning Board also assisted in the preparation of a draft of a zoning law which also has not yet been adopted. Positive results of the work of the Planning Board will not be generally evident until zoning and subdivision legislation is on the statute books of the islands.

The Planning Board was able to discourage the construction of a hotel which would have destroyed a large part of the fine harbor view of Charlotte Amalie. Comprehensive proposals were made for new shipping, wharfing, and warehousing facilities in Charlotte Amalie to be provided through a coordinated scheme of harbor dredging and reclamation. The Board also continued its work of securing large-scale maps by means of controlled aerial photography. It now has under consideration a variety of improvements for Christiansted and Frederiksted in St. Croix and Cruz Bay, St. John.

Pending the enactment of planning legislation, the Planning Board has also been able to discourage many other developments which would have adversely affected the preservation and protection of the old-world architecture and beautiful scenery of the islands.

Department of Agriculture and Labor

St. Croix Agricultural Program

On the island of St. Croix a demonstration farm consisting of 9 acres is in operation at Estate Anna's Hope. On this farm, studies of crops suited to the island's soil, climate, economy, nutritional needs, and tastes are in progress. A total of 18,075 pounds of fresh vegetables were distributed to institutions such as hospitals, school lunch programs, and homes for the aged.

The Department's division at Estate Anna's Hope serves as a source of vegetable seedlings, ornamental plants, seed, fertilizer, insecticides, technical information, and marketing service. Over 1,000 fruit trees of citrus and avocado were distributed at cost in St. Croix and St. Thomas.

Parks and Beaches

Intensive construction and renovation has been in progress at Cramer's Park on the eastern end of St. Croix. Among the improvements to this beach is a new building designed as a modern beach house and containing 12 lockers and the remodeling of a formerly incompletely stone building to house a modern restaurant and soda fountain designed to serve at least 250 persons. Two tennis courts and two volleyball courts have also been constructed. Several concrete walks to and from the water are near completion. The public parks in both the towns of Christiansted and Frederiksted have been rejuvenated with several hundred new decorative plants.

St. Thomas Agricultural Program

Most of the activities of this division were centered around the Dorothea Agricultural Station. In addition to Dorothea, activities in this division included the administration of public parks, supervision of the Magens Bay property, and the Outlook Park at Mafolie.

The Dorothea Agricultural Experiment Station is located on the northern slope of the island of St. Thomas and consists of 43 acres. Of this acreage, approximately 18 are utilized for the production of vegetables. This production is done by four farmers who rent various size plots for that purpose. The greater percentage of the vegetables produced locally is grown by this program. Over 1,200 citizens of St. Thomas and St. John benefited from this station. Other activities

of the station are: technical advice to the farmers and other citizens; a source of seed, fertilizer, insecticide and ornamental plants; assistance in marketing of crops produced in the area; and beautification of public parks on the island.

Workmen's Compensation Administration

During the year under review, the compensation officer processed a total of 396 injury reports involving medical costs, compensation for disability, death compensation installment payments and funeral expenses. These cases represented a total award of \$48,616.34.

A breakdown of this amount shows:

Temporary total disability-----	\$36,075.16
Permanent partial disability-----	3,062.47
Medical attendance and hospitalization-----	8,508.35
Death compensation installments-----	825.00
Funeral expenses-----	145.36
 Total-----	 48,616.34

Three bills were passed by the legislature amending the Workmen's Compensation Act. Bill 1080, approved by the Governor on April 21, 1960, amended section 276 pertaining to the filing of reports by employers. Bill 1176, approved by the Governor on May 25, 1960, amended section 254(a) dealing with medical attendance. Bill 1113, approved by the Governor on June 16, 1960, further amended section 254(a) as well as subsections (b) to (e), inclusive. In effect, the rate of compensation was increased from 65 to 66½ percent with a minimum of \$20 and a maximum of \$35 per week.

Fair Labor Standards Act

A total of \$1,527.13 was collected resulting from complaints received of violations under this act. The majority of cases involved alien labor.

A wage board comprising six members was appointed by the Governor for the purpose of making investigations into the various industries of the Virgin Islands and subsequently recommending to the Commissioner of Agriculture and Labor minimum rates for such industries. At the close of the fiscal year minimum rates had been recommended and approved by the Governor, covering hotels and restaurants, agriculture, wholesale, retail, and construction industries. These were embodied in Wage Order 1, effective March 29, 1960.

On June 16, 1960, the Governor approved bill 1088, an act providing a minimum wage of 60 cents an hour, and a maximum workweek of 40 hours for workers in the Virgin Islands. It also provided that the minimum wage for agricultural workers shall be 50 cents an hour.

This bill was first vetoed by the Governor but was passed over his veto, and the Governor chose then to approve rather than to send it to the President of the United States for his decision.

Labor Relations Act

Under the provisions of this act, the Department held 12 elections involving labor organizations seeking representation for purposes of collective bargaining.

Office of Veterans Affairs

This Office made 2,346 contacts with veterans, their dependents, other beneficiaries, guardians of minors of veterans and incompetent veterans, insular and Federal Government agencies and other interested persons. These covered educational benefits, GI direct and guaranteed loans for homes and businesses, dental and medical care, compensation benefits, pension benefits, employment, reemployment and unemployment benefits, insurance, death benefits, and miscellaneous problems.

Finances

The total obligations of the Department of Agriculture and Labor amounted to \$143,174.49.

Department of Education

Under the Department of Education the school systems of the islands have experienced both growth and improvement.

Office of Administration

The major progress made in this area is the implementing of improvements in instructional materials through the National Defense Education Act, and in participation in the aid to federally affected areas under the provisions of Public Laws 874 and 815. The business and accounting office was brought up to date, so that records of fiscal transactions are readily supplied to all concerned. A study was commenced of the internal accounting procedures of the various schools with a view to standardizing them.

Division of General Services

Under this Division are included the Bureau of Libraries and Museums and the Bureau of Recreation, and the area of auxiliary services, including transportation, maintenance and repairs, school lunch and department activities connected with new construction.

Workshops for school lunch personnel were held. Not only was there emphasis on efficient preparation of lunches, but consideration

was given to the educational aspects of lunch programs, with due regard to manners and conduct, and to good nutritional habits.

Minor repairs and remodeling have been carried out by the maintenance staff and outside contractors. Major projects in progress include new kitchens and school lunch facilities at Dober School and Jefferson School in St. Thomas. Regular painting and general maintenance have been proceeding.

Pupil transportation on St. Thomas and St. Croix continued in the hands of private firms contracting for this service, while in St. John a jeep truck has been put into service to provide transportation for children in the Cruz Bay area. This is the second year of transportation of pupils by contract busses and, on the whole, the plan has been satisfactory.

Bureau of Libraries and Museums

This Bureau has continued to offer bookmobile and extension service to outlying rural areas in St. Croix and St. John under the provisions of the rural library extension program. Plans were completed and equipment purchased for microfilming of old government documents.

Bureau of Recreation

The positions of recreation supervisor for St. Thomas, St. John, and St. Croix, were filled so that each major area of the Virgin Islands now has a supervisor working directly under the Chief of the Bureau. Plans have been formulated for a comprehensive recreational program, encompassing baseball, basketball, cricket and other vigorous outdoor sports, as well as checkers, chess and other games of a quiet nature. Year-round schedules are now in effect, with interisland playoffs between the top teams of St. Thomas and St. Croix.

Division of Educational Programs

Elementary schools.—No new elementary buildings were added during the year, but there was general improvement in services and programs offered, and in the amount of teaching materials provided, including textbooks. Plans are in progress for a large elementary school in St. Thomas to relieve the crowded classroom conditions by 1961. Further building improvements which were on the drawing boards by the end of the year included a new school for the Nisky area and a new kindergarten-library building for the French Village in St. Thomas.

The elementary supervisors in St. Thomas and St. Croix continued to assist the teachers in improving teaching methods. The standard-

ized testing program was expanded and improved. The pupil-teacher load in urban elementary schools was reduced from 42 to 36 during the year with the addition of some teachers.

Since elementary teachers include the larger percentage not possessing academic degrees, they were the largest group taking advantage of the Hampton Institute summer school. Several teachers also enrolled in the new branches of Catholic University of Puerto Rico, offering college level courses in the Catholic high schools of the islands.

Secondary schools.—Overcrowding at Charlotte Amalie High School is the most serious problem in the secondary schools. This can be relieved only by an expanded building program. The development of a more unified curriculum for the public high schools of the islands has been a major project of the year. Meetings of the principals and department heads have been held for the purpose of developing curriculum materials, course outlines and study guides.

Due to continued demand, the Claude O. Markoe School at Frederiksted was given 11th and 12th grades, though there were only two graduating seniors in 1960. Approximately 25 are expected in next year's senior class.

Vocational services.—A course in practical nursing affiliated with the Knud Hansen Memorial Hospital was added in St. Thomas. The first class will complete the 1-year course on September 6, 1960. Masonry courses were added in St. Thomas and St. Croix. Vocational-agricultural classes cleared more land for class projects and, assisted by other trades classes, built a poultry house at Christiansted High School and completed two successful projects in poultry raising.

There were 110 cases in referral status in the Virgin Islands during 1959-60 in vocational rehabilitation. Ninety-nine of these cases received some type of rehabilitation service and 42 cases were placed in employment suitable to their physical conditions.

Plans are underway for a sheltered workshop in St. Croix where small manufacturing or handiwork can be carried on by the severely handicapped who cannot be readily absorbed into competitive labor market.

Teachers employed in public schools, Virgin Islands (including vocational and kindergarten programs)

Year :	Total
1955-56	215
1956-57	207
1957-58	214
1958-59	228
1959-60	242

Expenditures by years (1955-60, inclusive), Virgin Islands

Year:	<i>Total</i>
1955-56-----	\$1,180,397.94
1956-57-----	1,107,254.32
1957-58-----	1,286,009.36
1958-59-----	1,540,727.21
1959-60-----	2,049,619.15

Average cost per pupil (1955-60, inclusive), Virgin Islands

Year:	<i>Total</i>
1955-56-----	\$141.00
1956-57-----	137.30
1957-58-----	151.84
1958-59-----	216.97
1959-60-----	266.00

Average monthly salaries of teachers according to certification and assignments, Virgin Islands, 1959-60

Certification and assignments:	<i>Salary per month</i>
Master's degree-----	\$392.28
College 4-year-----	322.50
College 3-year-----	291.67
College 2-year-----	243.75
College 1-year-----	198.33
Senior high school graduate-----	174.79
Special service-----	281.87
Special class A-----	342.91
Second-class teachers-----	175.00
Elementary and kindergarten teachers-----	261.52
High school teachers-----	333.15
Supervisors-----	481.66
Average salary per teacher-----	287.92

Average annual salary per teacher by years, Virgin Islands

Year:	<i>Salary</i>
1955-56-----	\$2,821.32
1956-57-----	3,075.48
1957-58-----	3,167.76
1958-59-----	3,514.08
1959-60-----	3,455.04

Miscellaneous data

	1954-55	1955-56	1956-57	1957-58	1958-59	1959-60
Number of schools:						
Public (including kindergartens).....	31	28	28	28	29	29
Parochial.....	8	8	7	8	10	10
Private.....	5	5	5	5	4	4
Total.....	44	41	40	41	43	43
School enrollment:						
Public.....	5,639	5,886	6,192	6,391	6,466	6,849
Parochial.....	1,897	1,979	2,032	2,077	2,185	2,534
Private.....	310	339	380	228	170	232
Total.....	7,846	8,204	8,604	8,696	8,821	9,615
Public school enrollment:						
Kindergartens.....	325	338	324	312	392	422
Grades 1 through 6.....	3,846	3,867	4,022	4,122	4,098	4,229
Grades 7 through 12.....	1,468	1,681	1,846	1,957	1,976	2,198
Total.....	5,639	5,886	6,192	6,391	6,466	6,849

1959-60 public school attendance and membership

Average daily attendance.....	6,139
Average daily membership.....	6,640
Average pupils per classroom teacher:	
Rural elementary.....	29
Urban elementary.....	36
High school.....	29
Average salary of teachers in public schools:	
Elementary.....	3,138.24
High school (academic).....	3,997.80

Teacher training (exclusive of vocational):

College graduates.....	115
Normal school (2 years or more).....	57
Less than 2 years college.....	37
Other.....	11
Total.....	220

Source of funds:

General fund.....	\$1,905,310.00
Federal contributions to:	
School lunch.....	42,644.00
Vocational education.....	45,460.00
Vocational rehabilitation.....	22,355.40
Rural libraries extension.....	11,079.00
National Defense Education Act (Public Law 864) (matching).....	49,449.57
Special Federal grants to education (nonmatching).....	75,439.00
Total funds available.....	2,151,736.97

Total obligations and expenditures:

General fund-----	1,858,806.89
Federal funds-----	190,812.26
Total-----	2,049,619.15

Expenditures per pupil exclusive of adult education, lunch program, and community services-----	226.00
Average daily participation in school lunch program 1959-60-----	5,497
Total number of meals served-----	974,251

Department of Finance

For the fifth consecutive fiscal year, revenues and receipts collected during the fiscal year 1960 continue to be the highest in the history of the territory.

As of June 30, 1960, the balance of cash in the Treasury of the Virgin Islands amounted to \$10,460,134.25 distributed as follows:

General fund-----	\$1,827,324.18
Federal appropriation matching single i(i) fund-----	2,774,422.35
Federal appropriation essential public projects double i(ii) fund-----	2,171,004.42
Special fund-----	1,549,349.50
Enterprise and revolving fund-----	659,879.27
Agency fund-----	37,639.81
Trust and legacy fund-----	543,819.76
Special deposits fund-----	876,130.19
Payroll fund-----	20,564.77
Total-----	10,460,134.25

The General Fund

At the close of the fiscal year, the general fund, the principal operating fund of the Government, showed a cash surplus of \$747,007.85 over known obligations of \$1,090,316.33. This is the fourth consecutive year that there has been sufficient money in the general fund to finance operations of the Government at the beginning of the fiscal year without recourse to deficit financing.

Cash balances in the Federal appropriation matching single i(i) fund and the Federal appropriation essential public projects double i(ii) fund, as well as the various other special and nonbudgetary funds, also showed surpluses. The high level of income reached in Government during the fiscal years 1957, 1958, and 1959, was not only maintained, but was again surpassed in fiscal year 1960.

During the fiscal year, general fund revenues collected amounted to \$7,251,867.94, an increase of \$2,027,290.10 or 38.80 percent over similar collections in fiscal year 1959.

Principal sources of revenues and receipts were (a) taxes, (b) custom duties, (c) income from government operations and services, (d) miscellaneous government receipts, and (e) the Federal Government's matching fund contributions. Of the total amount of \$7,251,867.94 collected as revenues and receipts, taxes accounted for \$6,485,695.96 or 89 percent; miscellaneous revenues and receipts for \$371,027.28, or 5 percent; and government services or operations for \$395,144.70, or 6 percent.

Of the total amount of \$6,485,695.96 collected for taxes, the income tax amounted to \$4,329,017.86, or 66.74 percent; taxes on business, either direct or indirect, \$1,273,942.10 or 19.65 percent; custom duties \$487,000 or 7.51 percent; real property taxes \$372,724.81 or 5.75 percent; and inheritance taxes \$23,011.19 or 0.35 percent.

Road Fund

This fund was established in 1957 by legislative enactment which provided that all taxes upon the sale of gasoline and all fines imposed by the courts for violation of traffic laws should be deposited therein. During the fiscal year, revenues collected and deposited into the road fund amounted to \$222,666.18, an increase of \$56,532.48 or 34.02 percent over that of fiscal year 1959. Of this amount, \$207,151.09 represented collections from taxes on the sale of gasoline, and \$15,515.09 from the collection of fines imposed for violation of traffic laws. In addition to the amount of \$222,666.18 collected as revenues for deposit to the road fund, the amount of \$180,000 representing a contribution from the general fund was also deposited into this fund.

Federal Matching Funds

Contributions by the Federal Government of matching funds for the fiscal year, based on fiscal year 1959 net revenues as certified by the Government Comptroller of the Virgin Islands, amounted to \$4,917,952.15, an increase of \$1,045,086.99, or 26.98 percent, over matching funds received during the previous fiscal year.

Revenues collected during fiscal year 1960, on which the net revenues as certified to by the Comptroller are based, amounted to \$7,080,-946.52. Of this amount, \$6,856,723.24 represented revenues applicable to the general fund, \$222,666.18 represents collections of revenues applicable to the road fund, and \$1,557.10 represents collections of revenues for deposit to the law library and the game and wildlife funds.

Federal Contributions

During the fiscal year, the Federal Government's contributions to grant-in-aid programs, and other programs amounted \$839,243.29, an

increase of \$108,733.04, or 14.88 percent, over the previous fiscal year. In addition to these regular grants, the Federal Government also contributed the amount of \$951,298.79 towards improvement of the Alexander Hamilton Airport on St. Croix, V.I.

Government Expenditures

Of the total amount of \$9,998,487.99 expended by the Government for its operations, \$7,276,747.11 was expended from the general fund, and \$2,721,740.88 from the Federal appropriation single i (i) matching fund. The amount of \$3,341,795.37 was also expended from the Federal appropriation essential public projects double i (ii) fund.

Of the total amount of \$13,340,283.36 expended, \$9,319,874.66 or 69.86 percent was spent for operating expenses, and \$4,020,408.70 or 30.14 percent for general expenses. Of the \$9,319,874.66 operating expenses, \$2,096,588.54 or 22.49 percent was expended for health services; \$1,859,452.82 or 19.95 percent for education; \$2,189,010.75 or 23.48 percent for public works; \$554,265.32 or 5.94 percent for public safety; \$550,434.99 or 5.90 percent for welfare services; \$192,055.40 or 2.06 percent for legislature; \$227,682.37 or 2.44 percent for tourism and trade; \$1,650,384.47 or 17.74 percent for other administrative and executive agencies of the Government.

Expenditures from the special and nonbudgetary funds of the Government during the fiscal year 1960 amounted to \$3,737,460.52. Disbursements from the payroll and special deposits fund during the fiscal year 1960 amounted to \$7,643,894.03.

On June 30, 1960, there were unliquidated obligations outstanding (obligations incurred during the fiscal year 1960 to be liquidated during fiscal year 1961) totaling \$1,880,801.53 and distributed as follows:

General fund-----	\$847,232.55
Federal appropriation matching single i(i) fund-----	369,447.14
Federal appropriation essential public projects double i(ii) fund-----	469,814.72
Special fund-----	187,691.42
Enterprise and revolving fund-----	6,615.70
 Total-----	 1,880,801.53

Department's Operations, Programs, and Policies

Improvements and progress continued in the functioning of the Department, as a whole, during the fiscal year 1960, despite the drawbacks of inadequate space and high rate of personnel turnover.

The electronic data processing equipment installed during the latter part of fiscal year 1959 is now in full operation, and has contributed greatly to the efficiency of the Department. Its operations now cover

the drawing of checks for all payrolls and general disbursements; maintenance of all Treasury bank accounts and disbursing records, as well as payrolls and social security records.

Plans are being carried out progressively to expand its operations until all accounting and financial functions of the Department are on a mechanized basis.

Due to excessive turnover in personnel and difficulty in recruitment of replacements in the internal Audit Section, the activities of this section were of necessity restricted to routine and limited audits.

Special attention continues to be given to deficiencies reported in the audit reports of both the Comptroller of the Virgin Islands and the Comptroller General of the United States. Insofar as is possible they have been corrected and recommendations made therein carried out.

As a result of studies made of the accounting system, it is planned during the fiscal year 1961 to mechanize and centralize as much of the accounting functions of the Government as may be possible within the Department of Finance.

Expenditures for operating the Department of Finance were:

Office of the Commissioner-----	\$64,544.76
Division of Accounting-----	71,055.58
Division of Treasury-----	110,554.12
Division of Tax-----	87,543.13
Internal Audit Section-----	18,240.73
<hr/>	
Total finance-----	351,938.32
Alcohol Control Board-----	122.05
Banking Board-----	10,186.33
<hr/>	
Grand total-----	362,246.70

Comparative statement of revenues, fiscal years 1953-60

Source of revenue	1953	1954	1955	1956	1957	1958	1959	1960
	General fund							
Taxes:								
Real property taxes—	\$206,424	\$211,300	\$230,611	\$218,210	\$268,632	\$278,587	\$276,349	\$272,724
Income taxes—	915,045	1,059,632	1,549,309	1,491,698	1,863,494	2,393,414	3,054,223	4,329,176
Inheritance taxes—	8,324	6,208	15,935	3,721	26	13,389	57,304	44
Stamp taxes—	18,108	16,613	44,017	4,521	25	35,718	50,498	17
Trade, excise, and gross receipts taxes—	549,611	659,558	585,308	393,686	64	669,292	79,151	92
Transportation taxes—	23,155	22,962	20,467	12,552	24	268,00	886,513	22
Customs duties—	53,460	65,756	89,928	151,100	00	222,000	295,000	00
Licenses, fees, and permits—	49,636	56,682	66,955	43,533	88	102,590	102,590	54
Automobile licenses—	52,749	58,564	66,921	65,630	66	87,369	77	77
Amusement taxes—	5,230	4,225	2,826	1,128	11	7,123	7,123	71
Gasoline taxes—	95,236	95,236	107,771	110,299	66	132,716	132,716	69
Corporation franchise tax								
Fines, forfeits, and penalties								
Interest on government funds—								
Total taxes—	1,767,971	2,121,149	2,290,371	2,553,993	85	3,422,625	3,872,616	17
Other revenues:								
Court costs, fees, and charges—	37,014	33,320	29,204	38,932	33	18,299	62	10,533
Wharfage and ship fees—	27,395	37,565	36,910	26,713	00	31,358	50	31,857
Medical service fees—	24,258	53,747	68,334	80,245	62	66,382	69	70,740
Sanitary service fees—	5,961	5,427	6,436	16,097	05	20,257	89	32,154
Water supply system—	58,599	103,482	348,873	195,783	23	69,736	18	97,897
Miscellaneous receipts—						55,573	61	54
Total other revenues—	1,534,127	233,501	489,757	357,781	23	262,158	49	288,773
Grand total revenues—	1,921,398	2,354,650	2,780,128	2,911,775	08	3,685,084	46	4,161,389
						27	27	5,224,577
								84

¹ In licences.² In trade taxes.³ In road fund.

Department of Health

The organizational setup of the Department of Health wherein there is true integration of medical care, hospital services, and public health services, made possible because of the size of the Department, continues in force, and continues to draw favorable comments from Public Health authorities.

The completion during this past year of the cost analysis studies has opened the way for many long needed improvements and changes in operation. For the first time it is now possible with a fair degree of accuracy to determine the cost of the various services within the hospitals and related fields. As an outgrowth of this cost analysis, steps must soon be taken to overhaul completely the fee schedules, in order to bring them into more realistic relationship with the actual cost of giving the services involved.

Definite, even though limited, progress has been made in many areas during this year. These include the extension of the diagnostic facilities, especially in those areas where such diseases are of statistical importance, extension of followup in diabetes, evaluation and extension of the heart disease program, some attack on the problem of intestinal parasites as it affects the islands, and prophylaxis against the communicable diseases for which such prophylaxis is available.

A tremendous amount of work has been devoted to the study of the problem of providing a workable form of health insurance. This is not now available in the islands. For several days a representative of the Blue Cross of Puerto Rico met with representatives of the Health Department and of the Virgin Islands Medical Society. As a result of these discussions, and a realization of the problems involved, the need for some kind of health insurance continues to be made clear. Additional impetus is given to this program in view of the fact that the Federal Government, beginning July 1, 1960, has made available to its employees some form of health insurance plan. It is expected that in the very near future the details of a working plan will have been preliminarily worked out.

Boards and Commissions

The year just ended represented the first complete year of operation of the various boards and commissions as separate entities under the office of the Commissioner of Health. For most of these boards establishment of rules and regulations and methods of procedure was accomplished. The Board of Medical Examiners examined eight candidates, seven of whom passed satisfactorily. The Board of Nurses Registration and Nursing Education issued 15 licenses, 13 to regis-

tered professional nurses and 2 to practical nurses. The Board of Dental Examiners and the Board of Pharmacy issued no licenses. The Board of Veterinary Examiners issued one temporary license.

Bureau of Vital Records and Statistical Services

During the calendar year 1959, there were 1,108 live births in the Virgin Islands, second only to 1958 when 1,130 live births were recorded. The general birth rate was 34.6 per 1,000 estimated population against 36.1 in 1958.

The decrease in the birth rate is due to the decrease in the number of live births in St. Thomas from 617 and a rate of 37.6 in 1958 to 592 and a rate of 35.2 in 1959. In St. Croix there was slight change, from 491 live births and a rate of 35 in 1958 to 495 and a rate of 34.6 in 1959. Of 21 live births to St. John mothers, 17 occurred in St. Thomas. For St. John the figures were 21 live births and a rate of 24.7 compared with 22 live births and a rate of 26.2 in 1958. A total of 95.8 percent of all live births occurred in hospitals.

During 1959 there was a decrease in the number of deaths and death rate compared with 1958. The figures were 322 deaths and a death rate of 10.1 per 1,000 estimated population against 342 deaths and a rate of 10.9 in 1958. The most striking feature in this picture is the marked decrease in the general mortality and the infant mortality rate in St. Croix. The picture in St. Thomas was not so bright, there being an increase in both general and infant mortality figures.

In St. Croix there were 143 deaths and a death rate of 10 per 1,000 estimated population, a marked decrease from 182 deaths and a death rate of 13 in 1958. In St. Thomas there was an increase to 169 deaths and a rate of 10 over 151 deaths and a rate of 9.2 in 1958. For St. John the figures were 10 deaths and a rate of 11.8 in 1959 against 9 deaths and a rate of 10.7 in 1958.

For the Virgin Islands as a whole 46.0 percent of all deaths were of persons 65 years old and over. Corresponding figures for St. Croix and St. Thomas were 51.8 and 41.4 percent, respectively. There was a marked decrease of deaths in the age group 65 to 74 years, but no appreciable change in the overall picture for the other groups except the group under 1 year in which there was a marked decrease in St. Croix and an increase in St. Thomas.

The leading cause of death was the usual one—diseases of the heart. The age distribution and leading causes of deaths are as follows:

	Number	Percent of all deaths
Total.....	322	100.0
Under 1 year.....	48	14.9
1-4 years.....	9	2.8
5-14 years.....	4	1.2
15-24 years.....	10	3.1
25-44 years.....	35	10.9
45-64 years.....	68	21.1
65-74 years.....	46	14.3
75-84 years.....	74	23.0
85 years and over.....	27	8.4
Age unknown.....	1	.3

Leading causes of death

	Number	Rate	Percent of all deaths
Diseases of the heart.....	97	303.2	30.1
Certain diseases of early infancy.....	29	90.6	9.0
Malignant neoplasms.....	26	81.3	8.1
Accidents.....	23	71.9	7.1
Cerebral hemorrhage and other vascular lesions affecting the central nervous system.....	22	68.8	6.8
Gastro-enteritis and colitis.....	16	50.0	5.0
Arteriosclerosis.....	16	50.0	5.0
Diabetes mellitus.....	14	43.8	4.3

In spite of the dramatic decrease of infant deaths in St. Croix from 25 with a rate of 50.9 per 1,000 live births during 1958 to 12 with a rate of 24.2 during 1959, the St. Thomas figures raised the number of infant deaths to 48 with a rate of 43.3 compared to 51 and a rate of 45.1 during 1958. The St. Thomas figures increased from 26 infant deaths and a rate of 42.1 in 1958 to 35 and a rate of 59.1 in 1959. One infant death was reported in St. John; 91.7 percent of infant deaths in St. Croix and 57.1 percent of infant deaths in St. Thomas were neonatal deaths.

The leading causes of infant deaths were:

	Number	Rate	Percent of total
Prematurity.....	12	10.8	25.0
Asphyxia and atelectasis.....	11	9.9	22.9
Influenza and pneumonia.....	11	9.9	22.9
Gastro-enteritis and colitis.....	8	7.2	16.7

During 1959 there were 32 fetal deaths reported, all 20 weeks or over. Of this number St. Thomas accounted for 12 and St. Croix 20. Respective rates for the Virgin Islands, St. Croix and St. Thomas were 28.9, 40.4 and 20.3 per 1,000 live births.

The maternal death figures also increased over 1958 when 1 maternal death was reported with a rate of 0.9 per 100 live births to 5 maternal

deaths with a rate of 4.5 per 1,000 live births. St. Croix accounted for 3 and St. Thomas for 2 of these deaths.

There was a decrease in marriages and a slight increase in divorces during the year, marriages having decreased from 330 in 1958 to 302 in 1959, and divorces having increased from 132 in 1958 to 138 in 1959. Of marriages dissolved, 44.2 percent had been performed in the Virgin Islands.

Bureau of Maternal and Child Health and Crippled Children's Services

These programs cover inpatient and outpatient care and administrative services to maternity patients, their infants, and children up to the age of 21. Under the maternal and child health programs essential health services were given to maternity patients. These services included consultation, diagnosis, treatment and followup care in clinics organized to provide antepartum and postpartum services with a physician in attendance.

Infants and preschool children were given medical care in well-child conferences, general pediatrics, specialized clinics and public health district clinics. School-age children were given health examinations, followup care, dental treatment, fluoride applications and immunizations against communicable diseases. Although not completed, a review of prenatal records over a 6-month period indicated that the largest number of expectant mothers in St. Croix had hemoglobins between 66 and 70 percent, while most expectant mothers in St. Thomas had hemoglobins over 75 percent.

Services were increased in the crippled children's programs. Referrals and followup services were greatly improved, especially in cases recommended for medical care which was not available in the islands. Twenty-two children were sent to Puerto Rico and the United States for medical care. Many patients were sent to the cancer hospital in Puerto Rico for X-ray therapy and other treatments which could not be obtained locally.

Bureau of Business Management

For the first time, the Department of Health was able to submit its overall budget on a scientific basis utilizing the program method partially. Cost analysis, so vital in the running of any large department, was completed for the first time, making it possible to determine accurately the cost of the several services being rendered. A frontal attack was made on one of the conditions that has plagued the Department for many years, namely that of procuring supplies especially in regard to avoiding critical shortages and eliminating or decreasing the delay between the time the order is placed and the supplies are deliv-

ered. Central storerooms were established both in St. Croix and St. Thomas. Bids were invited for 90 percent of the needs of the Department, and 95 percent of open market purchases were covered by purchase orders. A brief schedule of operating costs follows:

Office of the Commissioner	\$195, 190. 00
Division of Hospitals and Medical Services	1, 424, 875. 98
Division of Public Health Services	244, 973. 00
Insular contributions to formula grants	100, 000. 00
Division of Veterinary Services	40, 163. 00
Nursing scholarships	18, 900. 00
Total	2, 024, 101. 98

Division of Hospitals and Medical Services

At the beginning of the year, problems which beset the Division were many and severe. From the point of view of the physical plant, conditions were bad as there had been no maintenance available during the previous life of the facilities. From the point of view of personnel there were inadequacies both in numbers and in assignments.

To correct these conditions as quickly as possible, a crash program of renovation of the facilities was initiated throughout the hospitals. Repairing of walls which had been badly cracked, repairing and painting of exteriors, refurbishing of rooms, landscaping, provision for increased parking, securing of needed beds and chairs, and air-conditioning of vital centers were accomplished. Major improvements were undertaken including the obtaining of modern adequate X-ray facilities for the Knud-Hansen Memorial Hospital, additional morgue refrigerator capacity for this hospital, increased cold storage in both the hospitals in Christiansted and in St. Thomas.

A contract has been awarded to build an outpatient annex to the Charles Harwood Hospital in St. Croix. This annex, to be financed jointly by a grant of Federal Hill-Burton funds and local funds, will relieve the present hospital facilities of all of its outpatient clinic load and will provide adequate office space for each physician, more adequate examining space for all clinic patients, adequate laboratory facilities, conference rooms, and proper business facilities.

Another noteworthy accomplishment was the obtaining of a 100-kilowatt electric standby generator for the Charles Harwood Hospital in St. Croix. This hospital has been without electric standby power, creating untenable situations in cases of power failure. This standby plant is designed to carry the present and foreseeable future loads of the entire Charles Harwood Hospital, making unnecessary any restriction in the use of current in the event of power failure.

A basic decision, namely that the time had arrived for the institution of a new program of resident house physicians, was made this year. The purpose is to provide 24-hour coverage on an outpatient basis 7 days a week and complete on-the-spot coverage for all patients in the hospital.

This program began with the employment of two physicians in St. Thomas and, at a later date, two physicians for the Charles Harwood Hospital in St. Croix. It was met with enthusiastic acceptance. Undoubtedly it has been the most acceptable program ever undertaken by the Department of Health. At the present time, there are three house physicians on the staff of each of the main institutions. One of the top priority goals for the new year is to provide comfortable and adequate living facilities for these physicians.

There has also been serious consideration of steps to be taken to provide relief from the shortage of beds at the Knud-Hansen Memorial Hospital in St. Thomas. A redistribution of beds based on present needs and more modern and rapid means of treating patients is being undertaken. Study of a proposed addition to this hospital is also in progress.

The Department of Health worked closely with the Department of Education in getting a practical nurses training program started. This program culminated in capping of the class of practical nurses during June, and it is hoped that by the end of this summer 11 practical nurses will be available to work in the Department of Health in St. Thomas.

In St. John the practice of examining each school child was continued and each defect found was followed up at the clinic. Mass immunizations of all children with Salk vaccine was completed. Minor procedures which formerly necessitated sending patients to St. Thomas are now being handled adequately and promptly on the spot, with improvement in the morale of both patients and hospital personnel.

Both the Charles Harwood Hospital and the Frederiksted clinic in St. Croix underwent facelifting during the year. As in St. Thomas, these buildings were sadly in need of maintenance, including patching leaks, filling cracks, repairing windows, and refurbishing walls.

The medical staff in St. Croix has been relatively stable. The home-care program, previously begun in St. Thomas, was extended to St. Croix and promises to become a worthwhile addition to the services rendered.

With the addition of the X-ray unit to the Frederiksted clinic, X-ray services rendered to the island of St. Croix should be improved considerably.

Hospital statistics—Virgin Islands

	Charlotte Amalie	Christian- sted	Frederik- sted	Herbert Grigg Home
Number of beds.....	125	60	12	120
Number of bassinets.....	20	10	4	
Maximum occupancy.....	127	66	20	119
Minimum occupancy.....	73	28	5	108
Average occupancy.....		49	12	114
Number of physicians.....	12	6	3	(1)
Number of graduate nurses.....	14	23	7	5
Number of practical nurses.....	17	8	4	
Number of nurses aides.....	41	22	4	
Total number of employees.....	180	143	38	26
Births in hospital.....	627	347	118	
Births out of hospital.....	9	24	16	
Stillbirths.....	15	22	2	
Deaths in hospital.....	84	62	21	30
Deaths out of hospital.....	63	25	4	
Admissions to hospital.....	2,878	1,976	592	44
Sick days in hospital.....	40,631	17,929	4,891	41,630
Clinic visits.....	25,654	14,323	7,923	
Major surgical cases.....	263	189		
Minor surgical cases.....	279	1,959	679	
Number of blood transfusions.....	440	133	27	
Number of X-ray examinations.....	3,722	2,497		
Number of laboratory examinations.....	41,155	33,428		

¹ Part time.*Division of Public Health Services*

In general, health conditions in the Virgin Islands have continued to show improvement. There have been several small epidemics, including one of Asian influenza, chickenpox, German measles and mumps. One case of typhoid occurred in a person who had visited a foreign island.

During the year an intensive immunization program aimed at immunizing the entire school population against poliomyelitis was undertaken. Timing of the program and pushing it through to completion were fortunate in view of the moderately serious outbreak of this disease in a neighboring island. There were no cases reported in the Virgin Islands during the year.

On May 8, 1960, a torrential downpour in St. Thomas inundated large sections of the town, caused great property damage, rendered many people homeless, and laid the groundwork for an outbreak of enteric diseases. Immediately after the flood, the hospital facilities functioned as emergency stations providing hot meals to those in need. Anticipating the possibility of an outbreak of enteric diseases, clinics were set up and over 2,160 injections were administered. No cases of enteric diseases were reported as a result of the flood.

Immunization services for children about to enter school have been offered, but community response has not been satisfactory. A cardiac clinic for adults and a separate one for children were placed in operation with a gradually increasing caseload. Many of the children in the cardiac clinic were referrals from the school health examination

program. As a result of these examinations, case histories of six children were reviewed by the cardiac clinic of Johns Hopkins Hospital and arrangements made for the referral of two most urgent cases for further examination and surgery.

Twenty-six deaths were reported due to cancer. Most of the cases reported were found to be advanced at the time of the diagnosis. Efforts are still being made to secure the services of a resident pathologist to expedite the diagnosis of cancer. Tuberculosis cases in residents continue to be few.

Bureau of Dental Services

In this Bureau a program is well underway to increase the percentage of preventive dentistry practice, thus securing a decrease in the number of extractions. In order to achieve this goal it is necessary to perform more examinations, especially in the schools and clinics, in order to detect dental conditions before they have progressed to the point where extraction is necessary. A topical fluoride application clinic was activated. Regular clinics were initiated in St. John which have improved vastly the dental services rendered in that island. The condition of dental health in the Virgin Islands in general, particularly that of school children, has been a matter of concern for a long time, and this area represents one in which continued attention needs to be directed.

Bureau of Mental Health

In general, the past fiscal year has been one of improvement in the services rendered by this Bureau. The special education consultant has been producing good results in handling individual children with learning problems. A new project was the introduction of a 6-week group therapy program for the patients hospitalized in the neuro-psychiatric ward of the Knud-Hansen Memorial Hospital. Plans have been made to conduct a special case finding clinic in the island of St. John.

Bureau of Environmental Sanitation

Sanitary facilities installed in properties in the three principal towns, Charlotte Amalie, Christiansted, and Frederiksted, are as follows:

	Number of properties	Empty lots	Pits	Night-soil	Septic tanks	Sewer	Public toilets
Charlotte Amalie -----	2,450	257	250	813	81	987	64
Christiansted -----	912	146	88	396	56	240	0
Frederiksted -----	409	24	216	59	16	156	0

In Charlotte Amalie only 45 percent of properties are connected to the public sewer system, in Christiansted 31.3 percent, and in Frederiksted 40.5 percent. A comparison of the three towns is as follows:

Sanitary facility	Charlotte Amalie		Christiansted		Frederiksted	
	1959	1960	1959	1960	1959	1960
Septic tanks	4.0	3.7	8.3	7.3	4.4	4.2
Pit privies	12.0	11.3	12.4	11.5	61.3	56.1
Nightsoil	39.4	37.1	55.6	51.7	16.1	15.3
Sewer	41.5	45.0	25.4	31.3	35.0	40.5

A small but significant beginning was made toward the eventual elimination of the nightsoil removal service. The legislature authorized the Governor to proclaim annually an area within the town limits of the Virgin Islands from which the nightsoil service would be eliminated. As stated elsewhere in this report, this program will take a period of 5 years or more, as it is complicated by inadequate and insufficient housing facilities for the low-income groups in the islands.

A weekly check is made on the potable water supply. Bacteriological samples and a chlorine residual are taken in St. Thomas. Chlorine residual is made in St. Croix. This Bureau also chlorinates by the batch method the water supplies of all business and government buildings serving 50 or more people a day.

Item	1959	1960
Number of cisterns chlorinated	1,932	2,130
Number of water samples, bacteriological analysis	1,095	1,058
Number of water samples, chemical analysis	127	196

There are 3 dairy farms producing milk in St. Thomas and 10 dairy farms and 1 pasteurization plant in St. Croix. Periodic inspections are made and milk samples taken. Routine inspections were made of 181 taverns, bars, restaurants, hotels, and guest houses on St. Thomas and 97 similar places in St. Croix.

The aegypti eradication program began during March in St. John. Since then the entire island has been sprayed twice and is now on its third cycle. Infestation with the aedes aegypti mosquito has dropped from 85 to 16 percent. It is hoped that the mosquito will be eliminated from St. John by the end of fiscal year 1961. The program began in April in St. Thomas and has been in operation 3 months with the first cycle almost completed.

Construction commenced during the year on an interceptor sewer and outfall to take the lees from the distillery and sewage from Christiansted harbor across the reef into deep water. It is estimated that the outfall will be completed and put into operation in 1961. All domestic and industrial sewage will then be removed from Christiansted harbor.

Bureau of Laboratories

Lack of adequate space is one of the main problems confronting the laboratories in both hospitals, but it is gradually being solved. In St. Thomas, the renovation of a building located in the area formerly occupied by the Municipal Hospital commenced, and the new annex to the Charles Harwood Memorial Hospital will provide new and adequate laboratory space. A total of 87,758 tests were performed in the three laboratories during the year. In the blood bank section several new procedures and precautionary measures were instituted. The bacteriology section reported 2,496 specimens submitted and 4,255 examinations performed. In the venereal section, 7,126 blood specimens and 20 spinal fluid specimens were submitted for examination.

Bureau of Public Health Nursing

In keeping with the principle of providing as much training as possible, several nurses attended an Institute on Principles of Epidemiology and a Workshop on Communication Skills, both held locally; one staff nurse had a 2-weeks' course in venereal disease control at the John Mahony Training Center in New York; the consultant nurse for children's services attended an institute on the use of prosthesis in Puerto Rico; and the Director and one staff nurse attended a workshop on the health of school age children at Chapel Hill, N.C.

With a population of preschool children estimated at 4,000, every effort is being made to render services through the well-child clinic. Here examinations are performed, immunizations are given and sick children are referred to the regular pediatric clinics. During the year typhoid vaccine was offered on a mass basis in St. Thomas and St. John. The incidence of venereal diseases in the Virgin Islands is not now considered a major problem, and it appears that the major danger in this area is in the importation of these diseases. Accordingly, steps have been taken to examine immigrant labor in order to prevent a marked upswing in the incidence of these diseases.

Division of Veterinary Medicine

A modified tick eradication program for St. Croix was put into effect during the preceding year. It was expected that within a year all the vats in which beef cattle were being dipped would be changed

over to toxophine. It was discovered, however, that spraying of cattle and other animals would have to augment the dipping program if the cattle tick is to be eradicated. The cost of such a spraying program would be beyond the extent of local funds and an application for aid for such a program was presented to the U.S. Department of Health, Education, and Welfare.

During the year 1,046 cattle were retested for brucellosis and only four reactors were found. These were destroyed. Following the importation of cattle from the United States, an epizootic of infectious keratitis broke out in a herd in St. Croix but was kept under control and cleared up within 60 days.

This is the fourth year a hog cholera eradication program has been in effect on St. Thomas and St. John, and no outbreak was reported. For the first time Newcastle's disease was found in a flock of 100 chickens in St. Croix, but they were all destroyed in an effort to eradicate the disease from the island. There is no rabies on any of the islands.

In the meat inspection activity, the present physical plant and equipment in St. Thomas are obsolete and inadequate. However, a new boiler was installed to produce the necessary hot water for a clean and sanitary operation. Extensive work was done on floors, floor drains, doors and screens of the St. Thomas abattoir. A total of 1,940 animals were slaughtered at the abattoir. In St. Croix, until the proposed new abattoir is completed slaughtering must be carried out in pens, long out-dated and obsolete. Under these conditions it is impossible to produce sanitary meat, and any present meat inspection program is only a stopgap measure.

Statement of appropriations and/or allocutions, Virgin Islands Department of Health, fiscal period July 1, 1959-June 30, 1960

Source	Appropriations and/or allocations	Percent-age of appropriations and/or allocations	Obligated and/or expended	Balance	Percent-age of obligations and/or expenditures	Matching requirements
General fund.....	\$519,783	.0,1874	\$477,594	\$42,189	0.3151	
Internal revenues.....	1,682,239	.6064	1,619,537	62,702	.4683	\$1 State for \$1 Federal.
Maternal and child health, fund A.....	61,927	.0223	61,807	120	.0009	None.
Maternal and child health, fund B.....	31,807	.0115	31,807	-----	-----	\$1 State for \$1 Federal.
Crippled Children's Service, fund A.....	61,040	.0220	60,994	46	.0003	None.
Crippled Children's Service, fund B.....	25,688	.0093	25,676	12	.0001	None.
General health.....	7,814	.0028	7,813	1	-----	\$1 State for \$1 Federal.
Venereal disease.....	7,020	.0025	7,015	5	-----	Do.
Tuberculosis control.....	8,358	.0030	8,358	-----	-----	Do.
Mental health.....	23,750	.0086	23,749	1	-----	Do.
Heart disease control.....	4,466	.0016	4,465	1	-----	Do.
Cancer control.....	850	.0003	847	3	-----	Do.
Private contributions (T).....	21,081	.0076	10,462	10,619	.0793	
Private contributions (C).....	2,271	.0008	990	1,281	.0096	
Water pollution.....	4,918	.0018	4,918	-----	-----	
Venereal disease, matching.....	6,930	.0025	5,252	1,648	.0123	
Tuberculosis control, matching.....	7,823	.0028	7,381	542	.0040	
Mental health, matching.....	20,669	.0075	16,892	3,777	.0282	
Heart disease control, matching.....	3,215	.0012	3,177	38	.0003	
Cancer control, matching.....	1,051	.0004	1,042	9	.0001	
General health, matching.....	11,851	.0043	11,779	72	.0005	
Maternal and child health, matching.....	32,088	.0116	31,560	528	.0039	
Crippled Children's Service, matching.....	3,190	.0011	3,190	-----	-----	
Water pollution, matching.....	2,718	.0010	-----	2,718	.0203	
Hospital construction.....	199,989	.0721	199,989	-----	-----	
CC Service A, congenital heart disease.....	139	.0001	139	-----	-----	
CC Service B, congenital heart disease.....	2,500	.0009	2,500	-----	-----	
Home-care program, matching.....	10,464	.0038	10,464	-----	-----	
Medical practice fund.....	8,572	.0031	1,334	7,238	.0566	
	2,774,211	100	2,640,659	133,552	100	

SUMMARY OF OPERATIONAL COST

Gross operational cost.....						\$2,640,659.00
Less assets:						
Cash—medical care.....					\$75,942	
Cash—veterinary services and services of environmental sanitation.....				1,030		\$76,972
Accounts receivable.....			300,617			
Less amounts charged against programs, medical indigents and bad debts.....			218,463	\$2,154		159,126.00
Net operational cost.....						2,481,533.00
Per capita gross.....						\$88.02
Per capita net.....						82.72

Virgin Islands Department of Health hospital services, July 1, 1959–June 30, 1960

Section and/or service	Account No.	Knud-Hansen Memorial Hospital	Charles Harwood Hospital	Frederiksted Clinic	Totals	Percent-age of gross revenues	Percent-age of accounts receivable
Room and board.....	7703	\$120,125	\$166,918	\$10,468	\$297,511	57.2	-----
Operations.....	7704	15,909	10,046	-----	25,955	5.0	-----
Dental services.....	7705	9,802	7,422	3,949	21,173	4.1	-----
Outside calls:							
1. Doctors.....	7706	166	-----	-----	166	.020	-----
2. Post partum.....	7707	56	-----	-----	56	.010	-----
Drugs and Medicines.....	7708	25,632	20,376	8,621	54,629	10.5	-----
Physiotherapy.....	7709	2,395	952	-----	3,547	.7	-----
X-ray services.....	7710	9,572	8,935	19	18,526	3.6	-----
Ambulance service.....	7711	102	727	529	1,358	.26	-----
Laboratory service.....	7712	20,992	11,670	2,341	35,003	6.7	-----
Examinations.....	7713	17,910	8,010	5,573	31,493	6.01	-----
All others.....	7714	7,192	17,624	5,793	30,609	5.9	-----
Gross revenues earned.....	770	230,053	252,680	37,293	520,026	100.0	-----
Free services.....	7702	176,639	207,857	30,808	415,304	79.9	-----
Net charges to accounts receivable.....		53,414	44,823	6,485	104,722	20.1	-----
Total collections.....		45,558	27,954	2,430	75,942	72.5	-----
Accounts receivable, June 30, 1960.....		7,856	16,869	4,055	28,780	27.5	9.6
Accounts receivable, June 30, 1959.....		11,993	39,654	1,727	53,374	-----	17.8
Accounts receivable, June 30, 1958.....		92,604	98,319	27,540	218,463	-----	72.6
Cumulative Accounts receivable.....		112,453	154,842	33,322	300,617	-----	100.0

Department of Property and Procurement

With the appointment of a new Commissioner during the year, the Department of Property and Procurement was reorganized in order to provide more expeditious and efficient operation. The Division of Procurement and Supply, the Property Division, and the Land Division are each managed by a Director.

Division of Procurement and Supply

The volume of transactions handled by this Division increased by more than 100 percent. In practically every instance the required operational needs of the Government for supplies, equipment, and services were met. Specifications on items of supply ordinarily required by the various departments and agencies were brought up to date and were expanded, and by June 30, 1960, there was introduced a system of consolidated purchases in which the departments and agencies are required to submit their requisitions on a quarterly basis.

Land Division

In the administration of the Homestead program this Division has encountered serious difficulties due to ambiguities in the law. Ques-

tions as to the allotment of land to applicants who already owned land as well as proper utilization of land allotted and interpretative policies of the former Land Authority were raised. During the 1960 regular session of the legislature, sweeping amendments to the Homestead law were recommended by the Governor and adopted. With the ambiguities and loopholes in the law now corrected, the Division has been able to carry on its work in a normal fashion.

The operation of rent control has also been a difficult job. The constitutionality of the law, as well as the power of the Commissioner to fix maximum rent ceilings, was questioned before the courts. The District Court found in favor of the Government. However, it is the view of the Government that the Rent Control law, which was enacted in 1947 and is outmoded and outdated, is badly in need of revision. Recommendations for basic changes which would be equitable to both landlords and tenants were made to the legislature but were not adopted.

In the field of Price Control, comparative lists of food items were published in the local papers to stimulate thoughtful shopping by consumers. A task force on foodstuffs was in operation and created considerable interest in better food prices. Although prices of foodstuffs have shown no appreciable decrease, the spiraling tendency which was evident during the previous year has been noticeably checked.

Property Division

This Division was activated in January 1960 and a Director appointed at that time. Since its activation, it has been concerned with the establishment of standard accounting procedures. The Division is at work on a Property Manual and on arrangements for conducting physical inventories of all departments and agencies of the Government to be commenced early in the new fiscal year as soon as new and modern procedures have been formalized. The Government's Printing Office has operated to capacity. A linotype machine was installed and a new automatic press has been ordered for installation.

Real property in the St. Thomas business and waterfront section was purchased for \$219,500 with a view to development, when funds are available, of a government center for all government administrative offices to replace offices now scattered in various parts of the island of St. Thomas.

Operating expenses of the Department of Property and Procurement were as follows:

Office of the Commissioner	\$44,229.40
Division of Procurement and Supply	80,137.87
Land Division	49,050.89
Property Division	50,372.63
<hr/>	
Total	223,790.79

Virgin Islands Housing and Urban Renewal Authority

The Housing Authority was engaged in the management of five developments in the islands of St. Thomas and St. Croix. The total number of apartments in this management program was 460, until a sixth project in Frederiksted was completed and occupied in the last month of the year. The 70 units in this project increased the total management program to 530 apartments.

The average contract rent was \$21.40 although more than 50 percent of the tenants are paying less than \$15 per month, particularly in St. Croix where the average rent is lower than on St. Thomas. Because of the relatively low income from tenant families, the local public housing program is dependent upon Federal contributions which amounted during the year to about \$2 for each \$1 derived from rentals. The Federal Government, therefore, is contributing two-thirds or more of the cost of public housing in the islands. Delinquency in rent payments continues to be serious.

Turnover in public housing is low and the waiting list of applicants is always increasing.

Progress in the construction of a large new housing project on St. Thomas has been far from satisfactory. Steps have been taken to bring this matter to the attention of the contractor and corrective action has been promised. The long and unnecessary delay experienced in connection with the development of this project has been costly to the Authority and to the Government.

The Authority is preparing to execute a contract for the construction of a new 264-unit project at Christiansted, St. Croix, and it is expected that actual construction will begin by the latter part of August.

Under Urban Renewal the Authority has obtained approval for three applications for planning assistance covering projects in all three cities of the islands. A contract has been awarded for technical assistance necessary in connection with this program. The areas to be studied to determine the feasibility of undertaking Urban Renewal projects are the Barracks Yard in Charlotte Amalie, the Water Gut area in Christiansted, and the Lagoon Street area in Frederiksted.

The financial statement of the Authority for the year shows:

Operating expenses of all projects-----	\$104,424.85
Interest and reduction of principal-----	213,888.06
Total expenses-----	318,312.91
Income from rent charges paid by tenants-----	104,424.85
Deficit-----	213,888.06
Federal contribution-----	213,888.06

Department of Public Safety

The continuing growth of the Virgin Islands is increasing the workload of the Department of Public Safety. To meet this demand 4 policemen and 1 police sergeant for St. Croix, 2 firemen for St. Thomas, 3 firemen for St. Croix, 4 additional penitentiary guards, and 10 additional policemen for St. Thomas were authorized by the legislature. Radio-equipped highway patrol station wagons were received, 3 for St. Thomas and 3 for St. Croix.

On October 1, the use of uniform traffic tickets was commenced. Instructors from the American Bar Association conducted classes for members of the police division in the use of the uniform traffic ticket.

At the beginning of the licensing period for motor vehicles, new types of license plates were introduced distinctly designating Government vehicles, private vehicles, and vehicles for hire.

In the Fire Division, the ranks of corporal and sergeant were created and promotions were made from the ranks of firemen, which has boosted efficiency and morale.

With the appointment of a new Commissioner in August 1959, the work of the Department was stepped up and, by the end of the fiscal year, improvement had been noted throughout the Department. However, there is still much improvement needed before the Department can render the type of services required of it.

Bureau of Criminal Investigation

In addition to investigating major crimes and processing them before the courts, the Bureau continued its routine work of finger-printing and photographing criminals, investigating employees for employment in various branches of the Government, and handling alien requests for good-conduct reports.

Patrol Bureau

Additional policemen in St. Thomas were added to the patrol bureau and the traffic bureau. In the city of Charlotte Amalie, better

coverage was possible at night and many crimes were prevented by the presence of the patrolmen and the discovery of business places that had negligently been left unlocked. Weekly classes were conducted at night during the year for all members of the Police Division. These classes were very well attended.

Communications

A small two-story concrete-block house was constructed near a mountaintop overlooking Charlotte Amalie, and radio relay equipment is in the process of being installed. Upon the completion of this installation, it will be possible for all police headquarters—Cruz Bay, St. John; Charlotte Amalie, St. Thomas; and Christiansted and Frederiksted, St. Croix—to talk directly to each other, and for police vehicles on each island to contact any other vehicle or headquarters.

Plans are underway for the installation of standby electric generators at each of the four police headquarters so that in the event of any electric power outage caused by natural or manmade disaster radio equipment will continue to operate.

Traffic Bureau

In St. Thomas it was possible to assign 14 men solely to highway patrolling and enforcement of traffic regulations.

There were 11 deaths in the islands caused by motor vehicles during the previous fiscal year. The campaign to promote safety on the highways was intensified. As a result, the number of deaths was reduced to 5. During the previous year approximately 800 traffic tickets were issued as compared with 1,775 traffic complaints brought before the court this year.

Law Enforcement

The following figures show the activities of the Police Division as compared with the previous fiscal year:

	1958-59	1959-60
Criminal cases reported—all Virgin Islands	1,271	2,674
(a) Handled by foot patrol bureaus:		
St. Thomas-St. John	349	321
St. Croix	584	177
(b) Handled by Criminal Investigation Bureau	388	406
(c) Traffic violations brought to court:		
St. Thomas	1,294	
St. John		15
St. Croix		461
St. Thomas:		
Money reported stolen		\$24,609.00
Money recovered		17,624.40
Money not recovered		6,984.60

Marshal service to the municipal courts was provided on an average of 4 days per week:

Documents served:

Criminal summons	6, 459
Civil summons	1, 690
Writs of execution	225
Automobile liens	25
Total	8, 399

Business inspection prior to issuing licenses **210**

	Number of traffic accidents	Persons injured	Deaths
St. Thomas	692	148	2
St. Croix	218	90	3
Total	910	238	5

Vehicular registration and licensing

	St. Thomas		St. Croix	
	1958-59	1959-60	1958-59	1959-60
Motor vehicles (private) ¹	1, 673	1, 597	1, 741	1, 430
Taxicabs and rented cars	788	910	221	327
Trucks	150	382	329	834
Buses	20	20	12	10
Motorcycles	4	17	20	30
Motorseooters	42	72	9	64
Bicycles	273	231	392	482
Drivers' licenses:				
Private	2, 082	3, 128	1, 496	2, 936
Taxi	733	449	126	151
Learners' permits	582	739	187	287
Motor-vehicle transfers	575	700	250	305
Bus licenses	10	26	6	13
Traffic tickets issued	354	1, 416	125	461
Registration of vehicles	\$49, 575.25	\$59, 807.28	\$46, 099.03	\$57, 270.79
Fines for traffic violations	6, 894.00	10, 373.00	3, 111.00	5, 056.00
Visitors' permits	7, 520.00	11, 482.00	2, 199.00	3, 364.00

¹The apparent reduction of motor vehicles (private) results from the fact that, due to a change in the registration law, many "pickup" trucks previously registered as motor vehicles (private) are now registered as trucks. Note the increase in trucks.

During the year four cases of drowning occurred in the islands, three in St. Thomas and one in St. Croix. There were five murders committed, three in St. Thomas and two in St. Croix.

Fire Division

During the year the Fire Division responded to 154 fire calls, a decrease of 52 fires from the figure for the previous year. This decrease can be credited partly to the inspections and campaigns conducted by the Fire Division to make citizens aware of fire hazards and

to take corrective action in time, and partly to a well-above average rainfall which reduced the number of brush fires for the year in St. Croix. The fire losses in St. Croix amounted to \$15,060 as against last year's loss of \$55,805. In St. Thomas the fire losses amounted to \$6,101 as compared to \$9,925 for the previous year.

Additional equipment was added to the Division during the year. Overall maintenance and efficiency are good.

Richmond Penitentiary

During the year a total of 140 inmates were admitted to the penitentiary in St. Croix. At the end of the fiscal year there were 30 inmates. During the year there were 239 reports of individuals being sick and receiving treatment.

The rehabilitation program continues to improve. A farm is operated and surplus produce not needed by the penitentiary is distributed among other government institutions such as the schools and hospitals. The poultry and animals raised, along with the catches from the fishing program, all contribute to the diet of the inmates.

Traffic signs are made by the inmates who also assist the Police Division in the placing and erecting of these signs. The recreation program includes football, basketball, and volleyball.

Religious services are conducted by clergy of different denominations.

During the year a program was started to improve and modernize the kitchen, dining room, and bathroom facilities.

Civil Defense

A Deputy Commissioner of Public Safety was added to the staff this year, and he is devoting full time to Civil Defense and the reactivation of the Home Guard on an insular basis. A closer cooperation with the Office of Civil and Defense Mobilization and a closer working relationship with the officers and agencies of the States, Territories, and the Commonwealth of Puerto Rico have been maintained. This organization is manned wholly by voluntary personnel, some of which, in staff positions, serve under appointment by the Governor.

In cooperation with the Office of Civil and Defense Mobilization and the Department of Defense, the Virgin Islands participated in the 1960 Operation Alert. This exercise was designed to test the operational capability at local, State, and national levels. This exercise was also used to test the organizational readiness to cope with natural disasters. All levels of Government as well as the public participated.

Major efforts have been directed to developing the agency's potential to meet emergencies resulting from natural causes such as hurricanes, floods, fire, and earthquakes. During the May 1960 torrential rainfall

which resulted in the flooding of St. Thomas, the Civil Defense Organization functioned well.

Home Guard

There are about 60 members of the Home Guard in St. Thomas and reorganization is in progress in St. Croix. The members on several occasions through the year assisted the Police Division in directing traffic and during the May flood performed excellent service and rescue work.

Wildlife

Supervision of the wildlife program was taken over by the Department of Agriculture and Labor, as required by the Virgin Islands Code. The Department of Public Safety continued to assist in the issuing of hunting licenses and honorary game wardens carried out patrols to prevent violations of game and wildlife regulations.

Police and Fire Commission

During the year the Commission met several times and considered suspensions of members of the Police Division. Penalties were ordered ranging from 1 week to 3 months suspension.

Parole Board

The Parole Board held its regular twice-a-year meetings. Applicants for parole were heard and action was taken thereon. Several paroles were recommended and forwarded to the Governor for approval.

The members of the Board also assisted the Commissioner of Public Safety in planning a program for improvement of the grounds and buildings at Richmond Penitentiary.

Appropriations

A total of \$560,972 was appropriated for the Department of Public Safety. Actual obligations were as follows:

Commissioner's Office	\$31,017.69
Police and Prison Division	401,381.88
Fire Division	116,730.64
Police and Fire Commission	109.80
Parole Board	192.30
Home Guard	1,267.54
Civil Defense	2,618.55
Total	553,318.40

Department of Public Works

General

The sum of \$1,543,804.82 was obligated for the routine functions of the Department of Public Works in St. Thomas, St. Croix, and St. John, including maintenance of highways, streets and roads, garbage and refuse collection and removal service, operation of the sewer and salt water systems, the potable water system, the nightsoil removal service, maintenance of public buildings and structures, operation of the Harbor Division and the Alexander Hamilton Airport.

The sum of \$816,732.99 was obligated for the construction of essential public projects under the Internal Revenue fund.

Water Supply, St. Thomas

The serious drought which was experienced during the preceding year continued into the present year and was broken by the torrential rains, 13.25 inches, which caused the floods of May 8 and 9, 1960. As a result, the rainfall for the month of May 1960 was 20.80 inches, constituting a record since 1877.

Rainfall, St. Thomas

Fiscal year ended:	Inches
June 30, 1954	37.85
June 30, 1955	41.83
June 30, 1956	53.86
June 30, 1957	27.76
June 30, 1958	45.48
June 30, 1959	33.47
June 30, 1960	58.43

At the beginning of the fiscal year water in storage was at a new low of only 565,800 gallons, or 3 days' supply. By careful rationing and persistent effort, it was possible to keep the public supplied with water. The situation was not finally stabilized until it was possible to enter into a contract with a shipping firm to haul water from Roosevelt Roads, P.R., to St. Thomas. The contract went into effect on February 12, 1960, and has proved very satisfactory. This was supplemented by the use of the Government tug *Carpeake*, and the loan of a Navy water barge. By the end of the year negotiations were in process with the Department of the Navy to transfer this barge permanently to the Government of the Virgin Islands.

As of May 10, 1960, there was a maximum storage of 9,058,400 gallons of water, or 45 days' supply. A total of 273 trips of the Government tug, chartered vessels, and the contract supplier of potable water were made to and from Roosevelt Roads bringing into St. Thomas 67,740,800 gallons of water, an increase of 36½ percent over

water imports during the preceding fiscal year. The total cost was \$269,177, or \$0.99 per ton.

During the fiscal year the Public Works Department pumped a total of 72,314,820 gallons of potable water, about 12½ percent more than in the preceding fiscal year. The potable water supply system in St. Thomas continues to be operated at a loss to the Government. The cost of potable water delivered to the consumer is still more than double the amount which the law permits the Government to charge for this water. Repeated attempts by the Administration to have the selling price increased by law have failed.

At the end of the fiscal year there were a total of 322 connections to the water system of St. Thomas, with a pending list of 143 applicants who could not be given service due to the limited supply.

St. Croix

Even with four wells added last year at the pumping station at Estate Concordia in St. Croix, the Department was unable to pump sufficient water to meet the increasing demand. Test wells were drilled in an effort to expand the system. The total water pumped from the wells at Christiansted was 27,735,928 gallons as compared with 20,054,351 gallons in the preceding year; and in Frederiksted 15,768,000 gallons as compared with 10,056,415 gallons in the preceding year. There were 232 connections to the potable water system in Christiansted and 139 in Frederiksted, or a total of 371 water connections in St. Croix.

Sanitation, St. Thomas

The demand on the garbage removal service in St. Thomas, especially due to the increase of industry within the town limits, and construction of new residences in the country district, continues to be greater than existing facilities can properly handle. The garbage dump being quite a distance from the city of Charlotte Amalie causes considerable wear and tear on vehicles. The owner of the garbage dump has given notice of discontinuance of the Government lease, and plans are being made for other means of garbage disposal in the coming fiscal year. During the year, the Department collected and dumped 41,130 cubic yards of garbage.

As a result of the floods of May 8 and 9, 1960, the public drains were choked full with dirt, rocks, and rubbish, and it became necessary to employ additional labor and to contract for additional equipment to remove the debris to permit the free flow of water along the storm sewers and open gutters.

Plans are now being carried out in stages to provide for the eventual elimination of the nightsoil removal service. The total elimination

of this method of excreta disposal will take 5 or more years because of the complication of inadequate housing conditions for the lower-income group of the population.

St. Croix

Here, as in St. Thomas, there is also great need for the expansion of the garbage removal service to the enlarging suburbs of both towns. The Department collected and dumped 4,763 truckloads of garbage from the Christiansted area and 2,896 truckloads from the Frederiksted area.

Appreciable improvement will soon be noticed in the nightsoil removal service in the town of Frederiksted, where arrangements were made during the year to provide waterborne sewer systems for many properties. There has been little reduction in the nightsoil removal service at Christiansted, although under the new law mentioned above plans are in progress also for its eventual elimination.

The following table reflects a picture of the sewer systems in the towns of the Virgin Islands:

	Charlotte Amalie	Christiansted	Frederiksted
Streets with sewers.....	Miles 12,450	Miles 6.9	Miles 5.88
Streets without sewers.....	2,779	3.1	.12
Total.....	15,229	10.0	6.00

Roads and Highways, St. Thomas

Routine maintenance of roads and highways was carried out during the year, but, as a result of the floods of May 8 and 9, all roads in St. Thomas are in a deplorable condition. The estimated damage caused by the floods was over \$500,000. The country roads suffered most and in some instances had to be closed to traffic pending emergency repairs. The legislature made available \$125,000 from local funds for emergency cleanup and \$500,000 from Internal Revenue matching funds for rehabilitation.

Approximately 1 mile of the Dorothea-Crown Road was hard-surfaced, and many other streets and sections of streets were paved with bituminous material. In other country areas, the roads were widened and paved.

St. Croix

Major improvements were accomplished in the road system on St. Croix with Internal Revenue matching funds. Improvements were made to the East End Road, La Grange Road, King Cross Street in

Frederiksted, access streets to the Housing project, Frederiksted, and many roads and streets in the town of Christiansted.

St. John

All roads on the island of St. John which are traversed by vehicular traffic were maintained, and the following roads were opened to vehicular traffic: the road from Maho Bay to Lenster Bay, the road from John's Folly to Lameshure, the Sessman Hill-Monte Road, the Gift Hill-Monte Road. Curbs were erected along paved streets at Cruz Bay and a sea wall 175 feet long was built.

Buildings and Structures, St. Thomas

In addition to routine maintenance of public buildings, major renovations and improvements were done to the Senate Building, the District Court Building, Quarters B, and Education Administration Building.

St. Croix

Routine maintenance of all public buildings was carried out, and extensive repairs were made to other buildings including the Government House, the former Grammar School and the house at Estate Whim.

In St. Thomas and St. John, 378 building permits were issued with an estimated construction value of \$5,190,527. In St. Croix 210 building permits were issued with an estimated construction value of \$2,288,719.

Telephone Division

The Virgin Islands Telephone System, formerly owned by the Government of the Virgin Islands, was sold to the Virgin Islands Telephone Corporation, a subsidiary of International Telephone & Telegraph Corp., in October 1959. This sale was made with the aim of improving the service to meet the growing demands of the public. By the end of the fiscal year, there was already considerable improvement in the telephone service under private ownership due to installation of additional manual telephone switchboards. The changeover to automatic dial systems should be made within the next 2 years.

Harbor Division, St. Thomas

During the year 109 Government ships and 438 merchant vessels, with a gross tonnage of 4,036,094, called at the port of St. Thomas. Total pilotage charges amounted to \$39,183.

St. Croix

Arrangements were made to dredge a portion of Christiansted Harbor adjacent to the docking area. Eight hundred and eighty-seven vessels with a total gross tonnage of 61,199 entered the port of Christiansted and 208 vessels with a total gross tonnage of 315,630 entered the port of Frederiksted.

Airport

The reconstruction of the Alexander-Hamilton Airport, including the construction of a new and modern terminal building, was nearly completed by the end of the year. Plans were made and appropriations approved for the extension to 5,200 feet of the Harry S. Truman Airport runway on St. Thomas by dredging and filling the bay to the west end of the airport. Approval of the Federal Aviation Agency was being awaited at the end of the fiscal year in order to proceed with advertisement for a contract for this project. The following tables show traffic at the two airports:

Harry S. Truman Airport, St. Thomas

	Landings	Passengers		Revenues
		In	Out	
Caribbean Atlantic Airlines.....	6,354	120,198	(1)	\$22,735.00
B.W.I.A.....	647	2,695	(1)	1,941.83
Nonscheduled and Private aircraft.....	2,598	1,454	(1)	2,529.25
Military aircraft.....	910	1,037	(1)	---
Total.....	10,509	125,384	(1)	\$27,206.08

¹ Not available.

Alexander Hamilton Airport, St. Croix

	Landings	Passengers		Revenues
		In	Out	
Pan American World Airways.....	417	5,134	4,386	\$5,838.00
Caribbean Atlantic Airlines.....	2,087	37,041	37,889	6,908.25
Nonscheduled and private airlines.....				564.00
Military aircraft.....	360			---
Passengers scheduled airlines.....		42,175	42,275	---
Passengers nonscheduled and private planes.....		9,800	9,720	---
Passengers military and Government planes.....		1,385	1,385	---
Rentals and concessions.....				12,076.72
Total.....	2,864	95,535	95,655	25,386.97

Emergency Housing, St. Thomas

In order to meet the need of low-income housing facilities, an emergency housing program, which was started in the latter part of the fiscal year 1959 with an appropriation of \$20,000, continued during the fiscal year 1960 with an additional appropriation of \$144,200. During the year six prefabricated emergency houses were completed. These included three 28- by 60-foot units, each consisting of eight rooms, four baths and four kitchens. These units offer maximum flexibility because they may be used as one, two, three or four-room units, depending on the room requirements to satisfy the needs of the individual or family occupant. Also completed were two 24- by 21-foot two-bedroom units and one 24- by 30-foot three-bedroom unit. The above units were constructed with a combined water storage capacity of 48,000 gallons. These buildings are serviced by potable water, and salt water for flushing, and are made of a Durotex prefabricated material. A total of \$144,604.90 was obligated as of June 30, 1960, for the homes.

Essential Public Works Projects

The essential public works projects in St. Thomas with the use of Federal matching funds included cleaning and repairing interior and exterior of water storage tanks, construction of a sewer lift station, extension of sewer and water lines, emergency repairs to the runway of the Harry S. Truman Airport, and the construction of a stadium.

St. Croix

The chief projects were the construction of the Alexander Hamilton Airport, commencement of work on a trunk and outfall sewer at Christiansted, and improvements to the Scenic Road, the North Shore Road, Morningstar Loop Road, East End Road, and the access road to the Frederiksted public housing project.

Fiscal

The sum of \$1,956,274.49 was received for the operation of the Department and for special projects from general funds, and \$749,400 from matching funds.

Obligations were as follows:

Matching funds:

Sanitary Division-----	\$217, 305. 36
Construction Division-----	191, 901. 66
Utilities Division-----	191, 879. 65
Administrative Division-----	117, 693. 41
<hr/> Total-----	<hr/> 718, 780. 08

General fund:

Sanitary Division	174, 274. 02
Construction Division	202, 420. 25
Utilities Division	336, 186. 73
Administrative Division	53, 011. 49
Alexander Hamilton Airport	59, 132. 29
 Total	 <u>825, 024. 78</u>

Matching funds—special projects:

School construction program	140, 300. 00
Rehabilitation and reconstruction: Improving, repairs, paving highways, roads and streets	254. 46
Waterfront facilities	7, 467. 21
Modern abattoir	10, 500. 00
Repairs to runway Alexander Hamilton Airport	30, 640. 00
Roads and streets Christiansted town	52, 862. 01
Highways	94, 877. 36
 Total	 <u>336, 901. 04</u>

General fund:

Special construction projects	600, 033. 41
Flood repairs	48, 747. 56
 Total	 <u>648, 780. 97</u>

Road fund	277, 152. 90
Emergency housing	124, 604. 90
Sanitary facilities	8, 177. 41
Essential public projects	816, 732. 99

Department of Social Welfare

In this Department much progress has been recorded during the past year. A positive and progressive attitude of the staff, the members of the Youth and Aging Commissions, and the Board of Social Welfare, has made possible successful services to Virgin Islanders in need.

Public Assistance Division

During the year assistance grants were increased for Aid to Dependent Children. By special appropriation of the Virgin Islands Legislature, allowances for food for children under 13 years of age were increased \$2 per person or \$5.35 per family. The increase was based on the Virgin Islands "Low-Cost Family Food Plan" and brought all food grants up to 50 percent of food need.

The Division concentrated on analysis of the caseload in an effort to rehabilitate all possible employables and to establish eligibility on

a sound basis. Improved standards of assistance influenced an increase in the ADC caseload by extending eligibility to borderline cases hitherto ineligible. This, and continuing improvement in economic conditions in the Islands, the gradually increasing caseload of the Old Age and Survivors Insurance Program, and the adequacy of local retirement systems, has resulted in a reduction of old age and general assistance cases. The following charts show the caseload distribution and expenditures by category:

Caseload distribution by districts

Category	Caseload July 1, 1959		Added during year		Closed during year		Caseload June 30, 1960	
	StC	StT-J	StC	StT-J	StC	StT-J	StC	StT-J
OAA-----	354	218	43	22	59	26	338	214
ADC-----	168	45	84	47	56	32	196	60
AB-----	15	4	1	0	1	0	15	4
AD-----	63	35	10	9	9	1	64	43
GA-----	58	51	34	19	32	28	60	42
EA-----	1	1	22	31	23	32	0	0
Total-----	659	354	194	128	180	119	673	363

Comparison of caseloads and expenditures

Category	Number of persons aided		Expenditures	
	June 1959	June 1960	1959	1960
Old-age assistance-----	584	561	\$160,258.31	\$161,671.89
Aid to dependent children-----	777	922	105,233.28	132,448.56
Aid to the blind-----	20	19	6,354.25	6,129.50
Aid to the disabled-----	101	107	30,063.27	33,483.90
General assistance-----	118	107	33,840.25	30,694.88
Total-----	1,600	1,716	335,749.36	364,428.73

The movement of this program during the past 6 years is reflected in the caseload changes noted in the following table:

Comparison of caseloads 1955-60

Number of persons	June 1955	June 1956	June 1957	June 1958	June 1959	June 1960
Old-age assistance-----	689	669	659	620	584	561
Aid to dependent children-----	757	821	1,007	785	777	922
Aid to the blind-----	34	30	25	21	20	19
Aid to the disabled-----	104	101	105	103	101	107
Total Federal categories-----	1,584	1,621	1,796	1,529	1,482	1,609
General assistance-----	89	125	139	128	118	107
Grand total-----	1,673	1,746	1,935	1,657	1,600	1,716

The total assistance expenditures in 1959-60 were \$488,328.68 or 8 percent above the figure for the year 1958-59, and 16½ percent more than the fiscal year 1957-58 when expenditures for assistance totaled only \$371,028.30. Federal matching funds earned this year were \$216,116.23, as compared with \$195,248.58 last year, and all of it was received as this amount is below the Federal ceiling of \$300,000. The local share of the total cost of the program was higher this year (\$272,212) than last year (\$256,775).

Child Welfare Services

Casework service was provided to 818 children as compared with 627 last year and 632 in the preceding year. Below are tables showing the type of services and distribution of the caseload during the year.

Caseload distribution by district offices

	St. Croix	St. Thomas	Total
Children receiving service July 1, 1959.....	214	254	468
Children accepted for serving during year.....	179	171	350
Service discontinued during year.....	150	171	321
Children receiving service June 30, 1960.....	243	254	497
Total number of different children receiving services during year.....	393	425	818

Whereabouts of children receiving service on June 30, 1960

	St. Croix	St. Thomas	Total
In home of parents.....	100	107	207
In home of relatives.....	48	29	77
In boarding homes.....	45	61	106
In free foster homes.....	18	21	39
In institutions.....	27	27	54
Elsewhere.....	5	9	14
Total.....	243	254	497

Foster Family Care

This program continued very active and is one of the most encouraging phases of the operation of the division. The caseload at the end of the year was 145 as compared with 130 last year. Expenditures for foster home board payments were \$34,386.30.

Insular Training Schools

The Boys' School continued to achieve a heartening improvement in boy and staff morale. The school provided care for a total of 57 boys with enrollment averaging around 45 boys. The Department of Education continued to provide academic services to the school. Under the direction of a farmer-counselor, poultry, gardening, and animal husbandry were expanded. The average age of the boys in

residence remained around 14. Six boys attended high school in the city.

The Girls' School, with a full capacity of 12, provided care for 14 girls with an average of 16 years. Psychological and psychiatric services were provided the children of these schools by the Mental Health Bureau of the Department of Health.

Detention Care

Detention facilities continue to be areas of great concern to the Department as well as to the general public. The continued slow rise in juvenile delinquency influenced administrative planning to construct a detention unit in St. Croix during the next year.

Adoption Service

Relatively few local children were placed for adoption, but 11 children were received from agencies in the United States and placed in Virgin Islands homes.

Day Care

By legislation, funds were provided to stimulate efforts by private persons or organizations to provide suitable day care facilities for children of working mothers. This program was initiated with one private center in St. Thomas, and one at Frederiksted, St. Croix. An average of 60 children per month ranging from 3 months to 4½ years of age used this service. The expenses of the Child Welfare program are summarized in the following table:

Cost of child welfare program, Virgin Islands

LOCAL FUNDS

	Insular	St. Croix	St. Thomas	All Virgin Islands
Child welfare services.....	\$49.17	\$6,685.52	\$10,242.27	\$16,976.96
Foster home payments.....		15,050.00	19,336.30	34,386.30
Insular training schools:				
For boys.....	67,265.29			67,265.29
For girls.....	16,271.45			16,271.45
Day-care centers.....		664.00	2,710.95	3,374.95
Total.....	83,585.91	22,399.52	32,289.52	138,274.95

FEDERAL FUNDS

Child welfare services and supervision.....	11,553.60	17,481.97	20,407.02	49,442.59
Grand total.....	95,139.51	39,881.49	52,696.54	187,717.54

Division of Institutions and Special Programs

The Queen Louise Home located in St. Thomas provides custodial care for the aged and began the year with a census of 16 residents.

At the end of the year there were 15 residents, 9 women, and 6 men. Providing more adaptable quarters and an activities program are prime needs of the home.

The Corneiro Home located in St. Thomas is a shelter-care home. At the beginning of the year there were 18 residents in this home, and at the end of the year there were 21 residents, 4 single men, 15 single women, and 1 couple.

Aldershville located in St. Croix is also a shelter-care home. At the beginning of the year there were 27 residents, and at year's end there were 32 residents, 13 single men, 17 single women, and 1 couple.

The Herbert H. Grigg Home located in St. Croix, administered by the Department of Health, has a capacity of 140 residents. During the year the division certified 35 persons for placement in this home. The division has also conducted a social and medical history survey of each resident in preparation for a broader survey to be conducted by a team from the National Institute of Mental Health. The legislature has authorized the transfer of this home from the Department of Health to the Department of Social Welfare, but administrative action to effect the transfer has been withheld pending recommendation of the survey team.

Cancer Care

It was necessary to send Virgin Islands patients to the Puerto Rico Cancer League for care. During the year one new case in St. Croix was referred, and seven repeaters, five from St. Croix and two from St. Thomas, were returned for periodic followup treatment.

Services to the Blind

During the year the American Foundation for the Blind, a national research and consultative organization, extended its regional field service to include Puerto Rico and the Virgin Islands. The Foundation donated five table-model radios for free distribution to blind persons in the islands.

Services to the Mentally Ill

The Division provides a limited amount of casework service for mental patients hospitalized in the Virgin Islands, while they are in institutional care and when they are discharged, as well as for after care upon discharge. During the year 17 studies on mental patients were completed. Fifteen of these were residents of St. Elizabeths Hospital in Washington and two were residents of New York State Hospital. Two patients were returned from St. Elizabeths and were provided after-care casework services. The Commissioner visited St. Elizabeths and interviewed 21 patients recommended for release.

Plans were being developed for return to the Virgin Islands or placement elsewhere of 14 of this group.

The Community Chest of St. Thomas

The Community Chest campaign was an outstanding event. With a goal of \$15,000 the sum of \$17,420.55 was raised, a new record in the 22 years history of the Chest. The following is a summary of the Chest services during the year.

Program	Cost	Services rendered
Housekeeping and laundry-----	\$3,766.81	2,710 cleaning, etc., 1,116 pieces.
Home nursing-----	3,110.31	Increased caseload.
Cancer care-----	3,718.00	Hospital bills and travel cost.
Emergency aid-----	963.73	Cash grants, furniture, etc.

Emergency Housing

As a result of a housing survey conducted by the Department, funds were appropriated to erect emergency housing to assist with the problem of inadequate housing for hundreds of low-income families. During the year, three 8-room dwelling units, one 3-bedroom and two 2-bedroom houses were constructed. In addition, another Government-owned house was remodeled to accommodate four families. The Department received 186 applications totaling 894 persons for housing. The completed units provided housing for 19 families totaling 97 persons. One hundred sixty-one families totaling 759 persons were in need of housing at year's end.

General

Total expenditures of the Department of Social Welfare amounted to \$791,960.34 of which \$187,672.32 were for insular programs, \$264,004.37 were expenditures allocated to the islands of St. Thomas and St. John, and \$340,283.65 were expenditures allocated to the island of St. Croix. The total cost is distributed as follows:

Central administrative cost-----	\$72,522.47
Public assistance funds-----	463,126.58
Institutional funds-----	54,640.90
Child welfare services-----	187,717.54
Community chest-----	13,952.85
 Total-----	 791,960.34

Department of Tourism and Trade

The Department of Tourism and Trade operated four offices: the headquarters office in Charlotte Amalie; a Division of Trade office also in Charlotte Amalie; a branch office in Christiansted, St. Croix; and

a San Juan, P.R., branch office. In addition, there was maintained during the year an information office located at 750 Third Avenue, in New York City, as well as an information booth at the Alexander Hamilton Airport in St. Croix.

Promotional Program

The overall promotional program was designed to provide a reasonable balance of advertising, literature, solicitation and publicity, to produce the largest possible tourist traffic and revenue.

There was inaugurated a Virgin Islands promotion page in the largest Puerto Rican newspaper. This full-page advertisement appeared weekly for 8 consecutive weeks and represented the first joint promotion venture by the tourist interests of the island and the Department of Tourism and Trade. The success of this program was exceptional.

In setting up a policy for the type of literature to be printed and distributed, the Department has made a very careful evaluation of relative effectiveness. Among those published during the year were a three-island brochure designed to give the maximum information possible on St. Croix, St. John, and St. Thomas to the prospective tourist in the most attractive form. "Welcome to St. Thomas and St. Croix" leaflets, a separate one for each island, were designed primarily for use at airports and at cruise ship information booths. Also published was a 16-page pertinent facts booklet containing general information on the islands, a comparison of Virgin Islands and New York prices, and U.S. Customs information for returning United States and Puerto Rican residents.

Hotel and guest-house rate sheets were issued twice during the year and included rates for summer and winter seasons, respectively.

The Department, in its efforts to produce business for the islands participated in the annual convention of the American Society of Travel Agents held in Havana in October 1959, the annual meeting of the Ninth Caribbean Tourist Association held in St. Thomas in June 1960, and the Southeast American Society of Travel Agents Chapter meeting in Barbados.

Over 25 groups, numbering from 10 to 300 persons, visited the islands during the year and included the Governors of the various States and Territories of the United States, following the annual Governors Conference in San Juan, P.R., a visit of National Republican Committeemen, a special group from Denmark, and an Eastern Airlines educational tour.

Forty-one general news releases and feature stories were mailed to approximately 600 different publications, and more than 100 special

news stories were prepared and sent to trade publications requesting specific information.

Tourist Visitors

A total of 203,400 visitors came to the Virgin Islands during the year as compared with 164,000 in the previous year. Of these it is estimated that 164,700 visited St. Thomas and St. John, and 38,700 visited St. Croix.

Visitors	St. Thomas- St. John	St. Croix
Caribair.....	85,000	32,000
Cruise ships.....	49,000	-----
Pan American.....	-----	4,700
British West Indian Airways.....	2,700	-----
Armed services, private yachts, regular steamers.....	28,000	2,000
Total.....	164,700	38,700
Grand total.....	-----	203,400

The table below graphically illustrates the increase in cruise ship visits to St. Thomas:

Year :	Number of cruise ships
1949-50.....	15
1950-51.....	7
1951-52.....	12
1952-53.....	20
1953-54.....	30
1954-55.....	33
1955-56.....	36
1956-57.....	48
1957-58.....	74
1958-59.....	89
1959-60.....	126

Estimated Gross Tourist Expenditures

Figures gathered from reliable sources indicate that the gross tourist expenditure in all the Virgin Islands was over \$24,700,000 compared with \$21,738,000 in the preceding year. Of this amount, \$9,650,000 was spent in hotels and guest houses, \$11,750,000 in tourist shops including retail liquor establishments, and \$3,320,000 was spent in restaurants, nightclubs, sightseeing, taxis, charter boats, drive-yourself cars and other similar services. These figures show an increase of approximately 20 percent above the preceding year. The average expenditure per visitor is approximately \$123.

Division of Trade

This Division was established on July 1, 1959, with the appointment of a Deputy Commissioner for Trade. The first step was to

conduct a survey of all businesses established in the islands with a view to compiling a business directory.

One of the most important tasks assigned to the Division is to collect, tabulate, interpret, and disseminate statistical data considered important to government, business, and industry. The survey of business establishments disclosed a total of 1,086 firms doing business in the islands. Of this number, 597 are located in St. Thomas and St. John, and 489 in St. Croix.

The bulk of the external trade of the islands is with continental United States and the Commonwealth of Puerto Rico. In 1959, 75.8 percent of the islands imports were shipped from the mainland and Puerto Rico, compared to 76 percent during 1958. Likewise, 83 percent of Virgin Islands exports were shipped to the mainland and Puerto Rico during the year. The value of merchandise shipped to the islands during the period 1954 to 1959 has shown a steady increase from \$14,900,000 in 1954 to \$33,600,000 in 1959.

During 1959, the value of merchandise shipped from the Virgin Islands reached a peak of \$6,273,623 compared with \$3,500,000 in 1954.

It is to be noted that imports are approximately five times greater than exports. The islands are almost entirely dependent upon imports for their existence, due primarily to lack of basic natural resources. The following table is a comparison of imports and exports from 1954 to 1959.

Year	Imports	Exports	Year	Imports	Exports
1954.....	\$15,756,811	\$3,409,175	1957.....	21,239,242	5,006,873
1955.....	16,255,575	4,116,053	1958.....	23,622,093	3,534,805
1956.....	18,947,426	5,597,161	1959.....	33,642,297	6,273,623

996,446 proof gallons of rum were manufactured in the Virgin Islands during the fiscal year.

Total obligations of the Department of Tourism and Trade were as follows:

Office of the Commissioner.....	\$21,646.51
Division of Tourism.....	186,049.26
Division of Trade.....	19,714.74
Total.....	227,410.51

Selective Service Operations

At the end of 12 years operation of the Selective Service System under the present act, as amended, more than ever Selective Service has become a vital part in the way-of-life to over 4,500 men of the

Virgin Islands between the ages of 18 and 39 years 10 months. During the period beginning September 1950, when the first registrant to be inducted into the Armed Forces since World War II was forwarded to the Army Induction Station then in Fort Buchanan, P.R., 2,529 registrants have been examined to determine their acceptability for military service, with 1,301 of these registrants having been inducted into the service through the local boards in the Virgin Islands.

Indirectly the Selective Service organization has contributed much more to the maintenance of the Nation's armed strength, as reflected in the initial enlistments of over 650 Virgin Islanders into various branches of the service. In addition, 669 Standby Reservists have been screened and categorized as to their availability to the Armed Forces for recall to active duty in time of national emergency.

Registration

As of June 30, 1960, a total of 4,504 men were registered in the Virgin Islands, reflecting an increase of 376. The following tabulation separates these registrants by local board and liability age:

Registration summary

	Local board for—		
	St. Thomas	St. Croix	Total
Registrants who are:			
Under 18½ years.....	54	65	119
Within current liable ages.....	1,601	1,480	3,081
Over age of liability (class V-A).....	820	484	1,304
Total.....	2,475	2,029	4,504

Inductions and Enlistments

The quota for the Virgin Islands was 63, an increase of 8 over that of the preceding year. Eighty-four men were actually inducted, all going to the Army. Enlistment activities decreased considerably during the year, the greatest reduction being in Army enlistments which dropped from 55 to 23. The total number of Virgin Islanders in the service changed little from that of a year ago. With 126 Virgin Islanders entering the service during the year (84 by induction and 42 by enlistment), there were 121 separations, or a net entry into the services over separations of only 5.

Standby Reserve

During the year, 62 additions to the Standby Reserve were received, whereas 213 cancellations resulted in a net loss in the current inventory of 151. To date, 670 reservists have been processed, of whom 3 are now

deceased and 279 canceled, leaving 388 active files of whom 336 are Army, 4 are Navy, 42 are Air Force, and 6 are Marine Corps Reserve.

Virgin Islands Employment Service

The Virgin Islands Employment Service experienced an increase in virtually all phases of its program. The continuing growth of the economy of the Islands was largely responsible for the decline in unemployment compensation workloads, coupled with termination, in January 1960, of the Unemployment Compensation for Veterans program.

Placements increased by approximately 5 percent over last year's total. Of the total of 3,244 placements, only 41 represented placement of agricultural workers. A total of 2,222 agricultural openings were cleared for the importation of foreign workers. Professional and clerical placements were up 56.7 percent over last fiscal year. A total of 5,154 openings were certified for the importation of foreign non-agricultural workers, principally for unskilled construction workers and domestics.

The present local labor force remains totally inadequate to meet the demand for workers. Projects now in the planning stage, including two large hotels in St. Thomas, a large public housing project in Christiansted, St. Croix, and Government construction projects, will further tax the ability of the Virgin Islands Employment Service to supply the workers needed.

Other phases of the work of the Virgin Islands Employment Service included employment counseling to assist all segments of the labor force in securing employment in those fields in which their services may be best utilized, a high school program to give effective help to those high school students who plan to join the labor force immediately after graduation, service to dropouts, that is, young people who drop out of school and who present a serious problem because of immaturity, inexperience and a minimum in educational advantages. In addition, there are programs covering service to older workers whose skills are often valuable in meeting the needs of the expanding economy, services to the physically disabled, special services to veterans returning to civilian life from military service and research and analysis for the collection and dissemination of industrial statistics.

A field study of employment trends was made in the manufacturing industries on St. Thomas. Of the firms included in the study, approximately 48 percent indicated they had no plans for increase in total employment over the next 12-month period; approximately 24 percent

indicated the possibility of some employment expansion. For the purposes of this study, it has been concluded that approximately 72 percent of all firms covered will continue for the next 12-month period at their present employment level.

Approximately 28 percent of the industrial establishments included in the survey indicated definite plans for additional personnel.

A study of St. Croix agricultural manpower requirements was conducted. Among the findings was an indication that in general there is a growing tendency on the part of farmers and farm operators to eliminate or substantially reduce the amount of acreage now allotted to the production of sugarcane. Among the factors contributing to this new alignment are reduction in financial returns to the growers, problem of getting cane transported to the sugar mill, hardship of obtaining tractor services when needed for plowing and cultivation, and severe droughts.

This study also indicates that a significant number of farmers and farm operators are becoming increasingly interested in the development of truck farming.

During the year a study of the feasibility of a program of unemployment insurance for the Virgin Islands was initiated and completed. The study was financed by local government funds and was accomplished with the advice and assistance of specialists and technicians from the U.S. Bureau of Employment Security. A draft of proposed legislation for the establishment of a system of unemployment insurance in the Virgin Islands was completed, but it has not yet been presented to the legislature.

Summary of Employment Service activities is contained in the following table:

<i>Summary of Employment Service activities</i>	
New applications-----	3,289
Counseling interviews-----	679
Employer visits-----	507
Promotional telephone contacts-----	380
G.A.T.B.'s administered-----	217
Specific aptitude tests administered-----	375
Proficiency tests administered-----	84
Placements (nonagricultural)-----	3,203
Professional and clerical-----	373
Skilled and semiskilled-----	911
Unskilled-----	949
Service-----	941
Day work and casual-----	29
Placements (agricultural)-----	41

The Virgin Islands Employment Service operating budget amounted to \$57,952.

Municipal Courts

St. Croix

A total of 1,873 cases were disposed of in the Municipal Court of St. Croix as follows:

Preliminary hearings-----	39
Criminal cases-----	360
Civil cases-----	196
Small claims cases-----	303
Traffic cases-----	626
Juvenile and domestic relations cases-----	166
Conciliation cases-----	183
 Total-----	 1,873

The overall increase of cases terminated during the year just ended as compared with those terminated in the previous fiscal year is 436 cases, or approximately 30 percent.

There were 126 marriage licenses issued. A total of 126 marriages were reported as follows:

Municipal Court-----	38
Roman Catholic Church-----	28
Lutheran Church-----	17
Anglican Church-----	12
Moravian Church-----	12
Spanish Methodist Church-----	6
Pilgrim Holiness Church-----	5
A.M.E. Church-----	3
Altona Baptist Church-----	2
Seventh Day Adventist-----	1
Pentecostal Church-----	1
United Brother in Christ-----	1
 Total-----	 126

There were eight coroner's inquests, one more than in the last fiscal year. The Municipal Court collected revenues in the amount of \$8,746.37 from notary fees, miscellaneous police and court fees, court fines, forfeitures, court costs, and other charges.

The total cost of operating the Municipal Court of St. Croix was \$28,523.91.

St. Thomas and St. John

During the year, 3,399 cases were disposed of. Divisionally, they are as follows, including preliminary hearings:

Criminal division-----	2,104
Conciliation division-----	407
Civil and small claims division-----	663
Juvenile and domestic relations division-----	225
 Total-----	 3,399

Two hundred and twenty-one applications were made for marriage licenses. Of these, 199 marriages were reported as follows:

Anglican Church-----	28
Apostolic Faith-----	3
Church of God-----	5
District Court-----	2
Dutch Reformed Church-----	1
Jewish Synagogue-----	2
Lutheran Church-----	12
Methodist Church-----	63
Moravian Church-----	20
Municipal Court-----	32
Roman Catholic Church-----	30
Seventh Day Adventist Church-----	1
 Total-----	 199

There were four coroner's inquests conducted during the year.

During the year, some repairs were made to the courtroom and offices, but there is still insufficient space for personnel and equipment of the court.

The conciliation division continued to be an important part of the court's activity, with a large number of citizens looking to this division for guidance and help with their many and varied problems.

The probation officer rendered valuable service to the court by providing it with presentence reports, by supervising probationers and by assisting other juveniles in need of help.

The uniform traffic tickets, prescribed by the Virgin Islands Code, went into effect during the month of October, and proved to be very worthwhile.

The total cost of operating the Municipal Court was \$30,720.63. A total of \$16,515.40 was collected from court fines, notary fees, court costs and fees, and other miscellaneous charges.

Conclusion

This report indicates substantial progress in many areas of public and private endeavor in the Virgin Islands during the fiscal year ended June 30, 1960. Indeed, it may be that in this year the islands were at or close to the peak of an era of unprecedented prosperity.

The benefits which the islands have derived from the enactment by Congress of the Revised Organic Act of 1954 have not only bolstered the economy of the islands, but have enabled the provision of nearly adequate operating funds for essential services as well as a program of long needed vital capital improvements.

Much remains to be done, however, in the way of public and private programs of a permanent nature. There is an acute need for additional housing for the middle- and low-income groups, particularly in St. Thomas. As the islands move into the second year of the new decade, encouragement must be given to private capital to invest in apartment or other type housing for the middle income group which would make additional housing available for the low-income group.

There will be further stimulation of business and tourism by the long awaited construction of improved airport facilities on St. Thomas and a new dock at Frederiksted, St. Croix, as well as harbor dredging and other improvements both in St. Thomas and St. Croix.

The people of the islands may take pride in the improved quality of their health and many other essential services. There must be, however, a reevaluation of educational goals and this will be undertaken in the very near future by a commission assisted by specialists.

The people of the islands should not expect that local revenues will continue to increase in the same proportion as they did during fiscal year 1960. A period of leveling-off must inevitably follow in the new or succeeding year.

Efforts should be directed toward maintaining governmental operations at or close to their present levels, improving the quality of public services rendered, and the achievement of the goals of intelligent leadership and fiscal responsibility which must eventually result in more autonomy for the Territory.

